Manitoba
Intergovernmental Affairs and Trade

Annual Report
2004 - 2005

Manitoba

MINISTER OF
INTERGOVERNMENTAL AFFAIRS AND TRADE

Room 301
Legislative Building
Winnipeg, Manitoba, CANADA
R3C 0V8
General Office: (204) 945-3788
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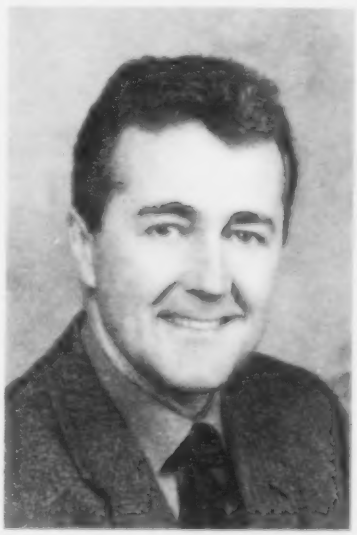
The Honourable John Harvard, P.C., O.M.
Lieutenant Governor of Manitoba
Room 235, Legislative Building
Winnipeg MB R3C 0V8

May It Please Your Honour:

I have the privilege to present for your information the Annual Report of Manitoba Intergovernmental Affairs and Trade for the fiscal year ended March 31, 2005.

Yours sincerely,

Scott Smith
Minister



Manitoba

Intergovernmental Affairs and Trade

Legislative Building
Winnipeg, Manitoba, R3C OV8
CANADA

Honourable Scott Smith
Minister of Intergovernmental Affairs and Trade
301 Legislative Building
Winnipeg MB R3C 0V8

Dear Minister:

We are pleased to present to you the Annual Report of the Department of Intergovernmental Affairs and Trade for the fiscal year ended March 31, 2005.

The long term sustainability and health of our communities has been enhanced through a number of initiatives undertaken over the last year. We have enhanced the decision making framework for local municipalities through the renewal of the *Planning Act;* the continuing review of the Provincial Land Use Policies; the ongoing development of the Capital Region planning initiative; modernization of *Municipal Councils and School Board Elections Act;* and broadened municipal authorities under the *Municipal Act.*

We have expanded our generous funding support to all municipalities by announcing the new Building Manitoba Fund, while continuing to provide a range of federal provincial cost shared agreements to address municipal service and infrastructure priorities. Our community economic development portfolio was enhanced by the signing a new Winnipeg Partnership Agreement which will contribute to the revitalization efforts of other ongoing community driven programs such as Neighbourhoods Alive!, Building Communities and the Urban Development Initiative.

Manitoba Trade and Investment launched its Exporter Development Initiative to help build export readiness in Manitoba companies and diversify the expertise and markets for others. As part of this new approach, trade consultants work one-on-one with businesses, as well as provide access to the Trade Assistance Program which supports participation in trade shows and the development of marketing materials. In the first nine months, the Exporter Development Initiative exceeded its target of increased exports, helping well over 100 companies enter into new or diversified export markets. Overall growth in exports from Manitoba was up by almost 8%.

We look forward to continuing the positive momentum generated in 2004/05 into the upcoming year.

Yours sincerely,

Marie Elliott
Deputy Minister
Intergovernmental Affairs

Yours sincerely,

Diane Gray
Deputy Minister of
Federal-Provincial and International Relations
Deputy Minister of Trade

106-00375/

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Preface

Introduction

The Department of Intergovernmental Affairs and Trade was created by a government reorganization in November of 2003. The Rural and Northern Community Economic Development Division was transferred out of the former Department of Intergovernmental Affairs. As part of the same reorganization, a new division, Trade and Federal-Provincial and International Relations, was created through programming transfers from five departments. This consolidation facilitated the co-ordination of resources and expertise in international relations within the Government of Manitoba, maximizing effectiveness and alignment with corporate strategies as well as providing a "single-window" access and face to the government's international activities.

Emergency Measures Organization (EMO) was added to Intergovernmental Affairs and Trade in 2004. EMO's responsibility for overall co-ordination and management of emergency preparedness for government as a whole and for supporting municipalities in matters related to emergency management, meshes nicely with other aspects of the departments portfolio.

Report Structure

This Annual Report is organized in accordance with the appropriation structure of the Department of Intergovernmental Affairs and Trade as set out in the Main Estimates of Expenditure of the Province of Manitoba for the fiscal year ending March 31, 2005. It thereby reflects the authorized votes of the Department as approved by the Legislative Assembly. The Report contains financial performance and variance information at the Main and Sub-appropriation levels relating to the Department's objectives and results. A five-year adjusted historical table of departmental expenditures and staffing is provided.

Role and Mission

Manitoba Intergovernmental Affairs and Trade's mission is to support Manitobans in building healthy, sustainable and productive neighbourhoods and communities. The Department provides leadership and works collaboratively with urban, rural and northern Manitobans and businesses to ensure their communities are places of opportunity. The Department's clients include individuals, local governments, community organizations and businesses.

The Department establishes a legislative, financial, planning and policy framework that supports democratic, accountable, effective and financially efficient local government, sustainable development of our communities and co-ordinated and effective emergency management. It promotes investment opportunities and supports Manitoba businesses, and companies providing products and services, to become export capable and expand into new markets. Within this framework, the Department delivers programs to meet particular needs for training, on-going advice, technical analysis, promotion and funding related to community/neighbourhood revitalization and development, infrastructure development, land use management, local governance, emergency preparedness, response and recovery, and trade and investment.

With a common interest in promoting the well being of our residents, businesses and communities, the Department plays a leadership role by advocating for community and neighbourhood needs and is a catalyst and co-ordinator of action. The Department also advocates for Manitoba at the international level. The Department promotes intergovernmental relationships and strategic partnerships between the private sector and non-government organizations.

Statutory Responsibilities

The Department delivers services and programs under the authority of the following Acts of the Consolidated Statutes of Manitoba (as per schedules "M" and "R", Order in Council 404/2004):

The City of Winnipeg Charter (S.M. 2002, C.39)
The Convention Centre Corporation Act (S.M. 1988-89, C.39)
The Local Authorities Election Act
The Local Government Districts Act
The Municipal Act
The Municipal Assessment Act
The Municipal Affairs Administration Act
The Municipal Board Act
An Act Respecting Debts Owing by Municipalities to School Districts
The Official Time Act
The Planning Act (except Part IX)
The Regional Waste Management Authorities Act
The Soldiers' Taxation Relief Act
The Manitoba Trade and Investment Corporation Act
The Unconditional Grants Act
The Emergency Measures Act
The Emergency 911 Public Safety Answering Point Act

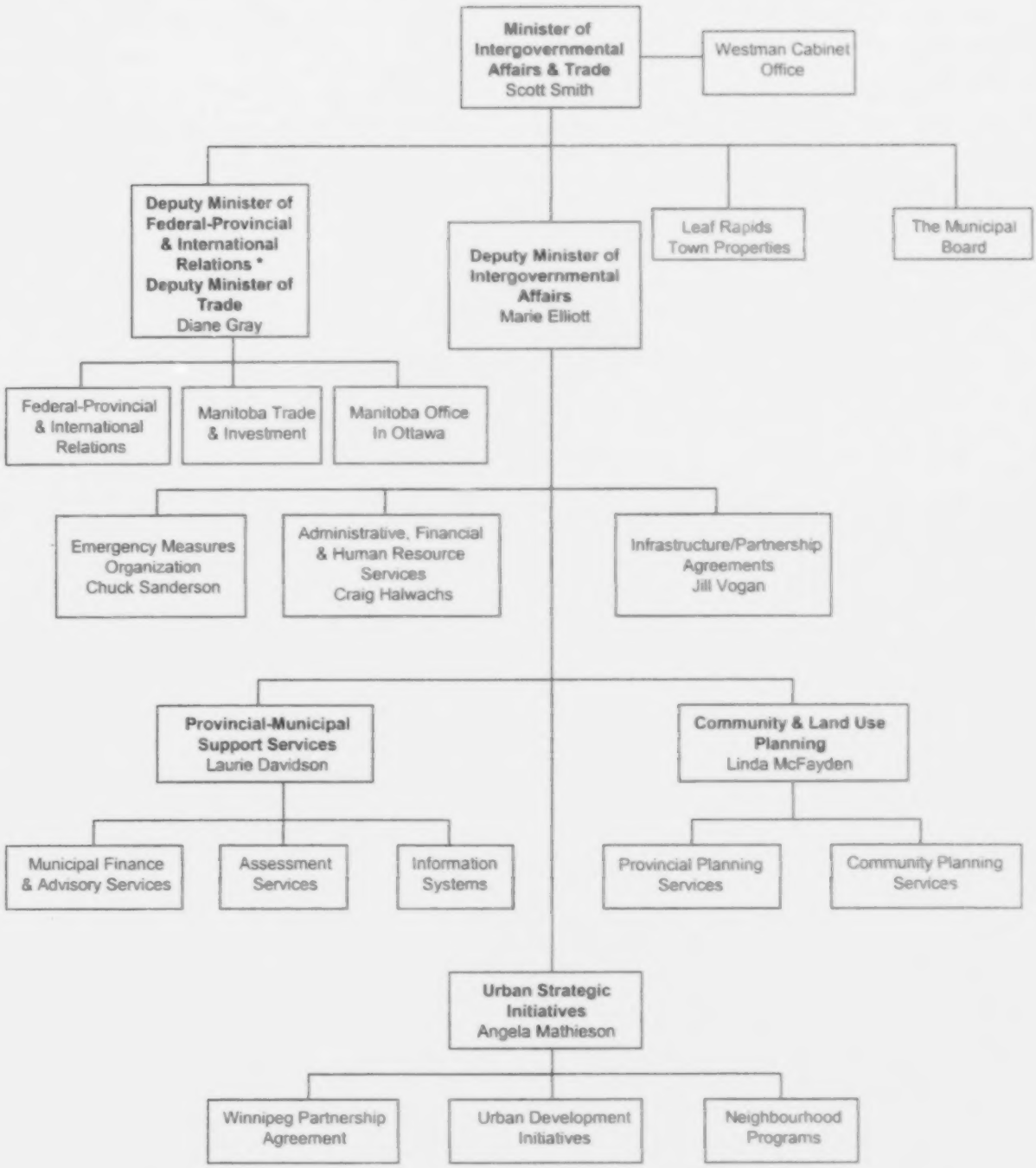
Organizational Structure

The Department's organizational structure is illustrated in the Organizational Chart and in the accompanying map depicting the regional delivery system. The Department is organized into five functional areas:

- Community and Land Use Planning Services, responsible for creating and managing an effective land use planning policy and legislative framework, providing the basis for all provincial and local decisions on land use, and delivering planning services and advice to communities across Manitoba.
- Provincial-Municipal Support Services, providing all 199 Manitoba municipalities with advisory and consulting services, financial support, enabling legislation and a policy framework enabling local governments to respond effectively and efficiently.
- Urban Strategic Initiatives, responsible for co-ordinating and developing sustainable, integrated urban public policies and programs with the community, and for supporting revitalization efforts in the downtown and designated neighbourhoods of Manitoba's urban centres, through initiatives such as Neighbourhoods Alive!, Building Communities and Urban Development Initiatives.
- Trade and Federal-Provincial and International Relations provides strategic policy advice in managing relationships with the federal government and other provincial and territorial governments, co-ordinates a corporate approach to advance and promote Manitoba's interests in the United States and internationally supports business in becoming export capable, and supports educational institutions in marketing education and training opportunities internationally.
- Manitoba EMO provides a co-ordinating function for emergency preparedness within the government, and works with partners in the municipal and federal governments and private sectors to build a stronger and more co-ordinated system for emergency preparedness in Manitoba. Manitoba EMO is engaged in all aspects of emergency preparedness – mitigation, preparedness, response and recovery – and is responsible for the provision of the Disaster Financial Assistance program.

In addition to these core functions, the Department oversees the Canada-Manitoba Infrastructure Programs, the Canada-Manitoba Economic Partnership Agreement (EPA), and the Winnipeg Partnership Agreement. Several Boards and Committees also function within the Department.

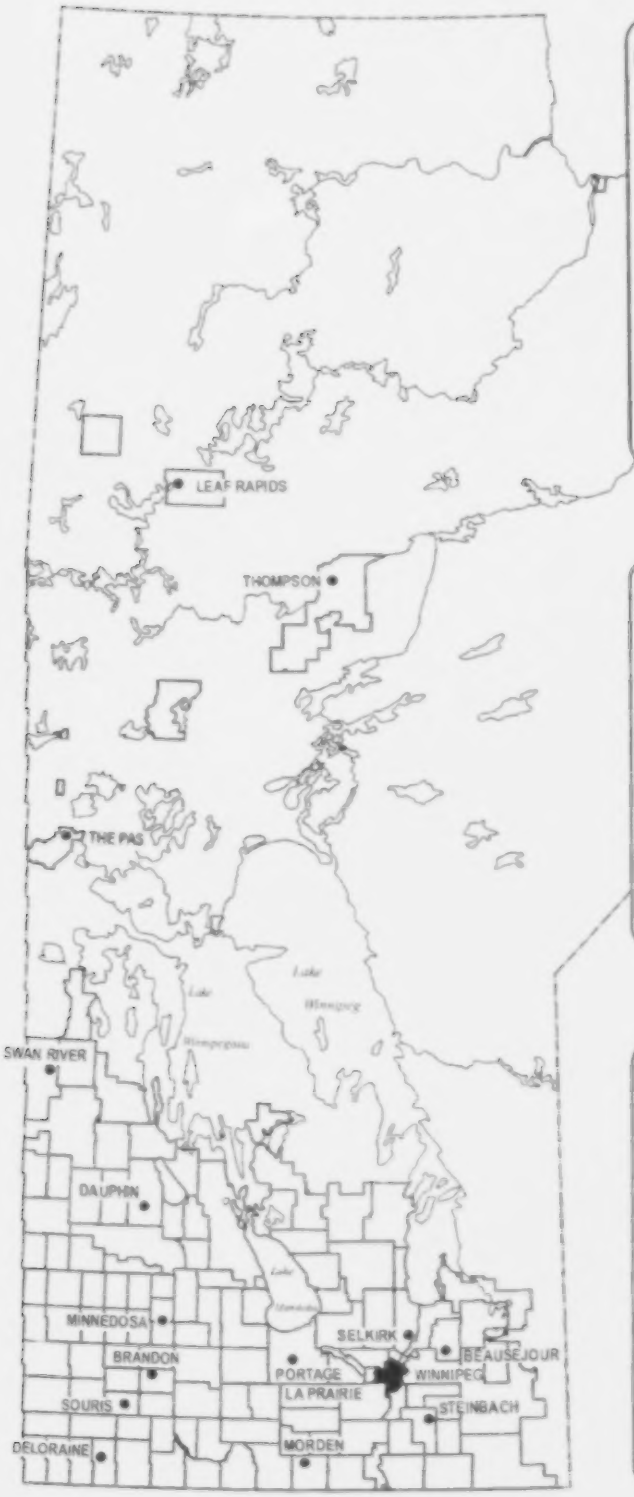
DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS & TRADE ORGANIZATIONAL CHART



*Reports on these responsibilities to Minister of Federal Provincial Relations – Gary Doer, Premier

April 2005

MANITOBA INTERGOVERNMENTAL AFFAIRS AND TRADE REGIONAL OFFICES



INTERGOVERNMENTAL AFFAIRS AND TRADE
WINNIPEG OFFICE

- Administration and Finance
- The Municipal Board
- Community and Land Use Planning Services
- Provincial-Municipal Support Services
- Canada - Manitoba Agreements
- Urban Strategic Initiatives
- Trade and Federal - Provincial and International Relations
- Emergency Measures Organization

INTERGOVERNMENTAL AFFAIRS AND TRADE
REGIONAL OFFICE - SERVICES

LEGEND

- ▲ Assessment
- ✦ Community Planning Services
- ✱ Leaf Rapids Town Properties
- ★ Municipal Finance & Advisory Services

REGIONAL OFFICE - SERVICES

BEAUSEJOUR		✦	
BRANDON	▲	✦	★
DAUPHIN	▲	✦	
DELORAINE		✦	
LEAF RAPIDS			✱
MINNEDOSA	▲		
MORDEN	▲	✦	
PORTAGE LA PRAIRIE	▲	✦	
SELKIRK	▲	✦	
SOURIS	▲		
STEINBACH	▲	✦	
SWAN RIVER	▲		
THOMPSON	▲	✦	

SECTION I
INTERGOVERNMENTAL AFFAIRS

Administration and Finance

The Division provides the Minister and staff responsible for the portfolio with advice and administrative support, makes recommendations on human resource management, and directs administrative and financial services. These services are provided by Executive Support, the Brandon Office, and the Administrative, Financial and Human Resource Services Branch. This Division also includes The Municipal Board.

Minister's Salary

The Minister provides leadership in maintaining and enhancing the direct partnership the Province has with its municipal partners, and its land use, resource management and economic development organizations. The Minister provides direction to ensure departmental goals and objectives are met.

1(a) Minister's Salary

Expenditures by Sub-appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over/(Under)	Expl. No.
Total Salaries	20.7	1.00	29.4	(8.7)	

Executive Support

The office of the Deputy Minister provides the Minister and his staff with information and advice regarding matters of concern to ensure open and continuing lines of communication within the municipal/provincial partnership, and between the Department and its diverse client groups. The Deputy Minister's office continues to carry out policy decisions initiated by the Minister and set directions for the activities conducted by the Department's branches. Administrative assistance is extended to the Minister's office.

1(b) Executive Support

Expenditures by Sub-appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over/(Under)	Expl. No.
Total Salaries	470.3	8.00	444.8	25.5	
Total Other Expenditures	78.7	0.00	80.1	(1.4)	
TOTAL	549.0	8.00	524.9	24.1	

Brandon Office

Opened in 1989 the Brandon Cabinet Office provides citizens in western Manitoba with ready and convenient access to government. The store-front office provides information regarding government programs, and access to contact people in government departments and agencies.

1(c) Brandon Office

Expenditures by Sub-appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over/(Under)	Expl. No.
Total Salaries	137.7	3.00	166.7	(29.0)	
Total Other Expenditures	51.6	0.00	53.1	(1.5)	
TOTAL	189.3	3.00	219.8	(30.5)	

Human Resource Management

The Consolidated Human Resource Services Section provides the Department's executive with appropriate recommendations on all aspects of human resource management, works within Civil Service Commission legislation and policy guidelines, and ensures that short and long-term staffing requirements are met within the Department. These objectives are met through recruitment and selection, position classification, performance appraisal, labour relations, human resource planning, staff training and development, staff counseling and occupational health and safety programs. The pay and benefits services are being provided through the consolidated Human Resource, Pay and Benefits Unit.

Principal Activities in 2004/2005

- Continuation of recruitment and selection delegations, and classification delegations from the Civil Service Commission, as a consolidated unit. Thirty-four positions were filled through recruitment activity. In addition there were 13 appointments to S.T.E.P. positions and three appointments under the Youth Transition Program. Eleven job classification reviews were completed.

- Provided comprehensive pay and benefits services for approximately 374 Intergovernmental Affairs employees and 2,474 employees in total through the Consolidated Pay and Benefits Unit.

- Provided guidance and advice on pay and administration issues.

- Twenty-one employees attended various training courses offered through the Civil Service Commission's Organization and Staff Development Division. In addition, 32 employees received departmental education assistance to enhance career opportunities.

- Participated in Management Internship Programs and external leadership development program.

- Administered and interpreted labour relations agreements to ensure consistent application. Advised supervisory and management staff on application of contract provisions and provided advice and guidance on Labour Relations issues.

- Participated on Departmental Labour Management Committee to improve labour/management relations.

- Participated in human resource planning activities; contributed to issue identification and solutions.
- Conducted entrance and exit interviews to capture improvement opportunities.
- Completed organizational assessment and continued with implementation of competencies to align Department objectives, values, recruitment, succession planning, and performance management strategies. Developed competency based training/development plans including job task analysis and schedules.
- Developed succession strategies to address aging workforce issues and the effect of retirements.
- Utilized outreach strategies to increase the number of equity group members working in the Department.

1(d) Human Resource Management Services

Expenditures by Sub-appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over/(Under)	Expl. No.
Total Salaries	144.2	4.00	138.4	5.8	
Total Other Expenditures	26.3	0.00	26.3	0.0	
TOTAL	170.5	4.00	164.7	5.8	

Financial and Administrative Services

This Section provides central support services essential to the operation of the Department, including comptrollership, accounting, financial reporting, budget co-ordination, and administrative services to the Department. Within the authority of *The Financial Administration Act*, central co-ordination is provided to ensure the financial integrity of management information systems. Staff are also responsible for interpreting directives and regulations of Manitoba Finance.

Principal Activities in 2004/2005

- Maintaining the Minister of Intergovernmental Affairs and Trade' Trust Account with receipts of approximately $7.2 million and disbursements of approximately $7.5 million.
- Processing expenditures totaling approximately $132.6 million. Maintaining a revenue collection and deposit system totaling $8.7 million.
- Co-ordinating and consolidating the financial information necessary to prepare Detailed Estimates of Expenditure and Revenue, an Estimates Supplement, Annual Report, Public Accounts Variance Explanations and Quarterly Forecasts of Expenditures and Revenues.

- Co-ordinating the operation and maintenance of approximately 74 fleet vehicles.
- Co-ordinating requests under *The Freedom of Information and Protection of Personal Privacy Act*. To year-end, 29 requests were submitted to the departmental Access Officer and were processed.
- Preparing financial reports for departmental management, and administering the Soldier's Taxation Relief By-laws.
- Within the Department, provision of continuing support for the SAP software. Provision of technical advice, review, and revision of all related policies and procedures related to the business processes necessitated by SAP.
- Providing property management and accounting services for Leaf Rapids Town Properties Ltd.
- Monitoring and updating the business plan, and co-ordination of French Language Services.
- Co-ordinating the Department's procurement activities and representing the Department on relevant committees.
- As a member of the *Sustainable Development Act* Steering Committee, other related committees and the Procurement Council, the Department participated in the development of sustainable development guidelines for government. Those guidelines will become the basis for incorporating sustainable development into the Department's future activities. A summary of the Department's sustainable development activities and accomplishments is included in Appendix D.

1(e) Financial and Administrative Services

Expenditures by Sub-appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over/(Under)	Expl. No.
Total Salaries	472.2	8.10	467.1	5.1	
Total Other Expenditures	175.4	0.00	185.7	(10.3)	
TOTAL	647.6	8.10	652.8	(5.2)	

The Municipal Board

The Municipal Board is a quasi-judicial body that hears applications, appeals and makes reports and recommendations relating to local government matters.

Due to its quasi-judicial nature, the Board operates independently and is attached to the Department for administrative reasons only. The Board prepares a separate Annual Report on a calendar-year basis.

1(f) The Municipal Board

Expenditures by Sub-appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over/(Under)	Expl. No.
Total Salaries	555.4	9.00	788.4	(233.0)	
Total Other Expenditures	217.5	0.00	243.6	(26.1)	
TOTAL	772.9	9.00	1,032.0	(259.1)	

Community and Land Use Planning Services

Overview

Community and Land Use Planning Services is responsible for creating and managing an effective land use planning policy and legislative framework in the Province to provide a sound basis for all provincial and local land use decisions. It is also responsible for the direct delivery of planning services to communities across Manitoba. These services are delivered through two branches: the Provincial Planning Services Branch and the Community Planning Services Branch.

Community and Land Use Planning Services contributes to the Department's overall mandate by ensuring well planned communities that are better able to provide a healthy living environment and to attract jobs and investment. In 2004/05, Community and Land Use Planning Services focussed its work on strengthening the foundations of planning in the Province.

Several key initiatives are described in more detail under each Branch. These initiatives included a complete rewrite of *The Planning Act*; review of Provincial Land Use Policies Regulation; ongoing development of a Capital Region planning initiative; enhancing planning practice in the Province with the Manitoba Planning Conference and the Manitoba Planning Excellence Awards; and delivering professional planning services to communities across Manitoba.

Executive Administration

The office of the Assistant Deputy Minister co-ordinates program delivery within the Division. Direction is given to Division staff to carry out programs and services in areas of provincial land use policy development and application, regional planning, community planning, subdivision approval and provincial planning legislation. The Assistant Deputy Minister's office provides the Deputy Minister, the Minister and the executive level of government with information and advice on community and land use planning and related matters.

2(a) Executive Administration

Expenditures by Sub-appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over/(Under)	Expl. No.
Total Salaries	159.8	2.00	153.4	6.4	
Total Other Expenditures	24.7	0.00	29.5	(4.8)	
TOTAL	184.5	2.00	182.9	1.6	

Provincial Planning Services

Provincial Planning Services develops and administers the provincial policy and legislative framework that serves as the foundation for effective land use planning in Manitoba. It also contributes to healthy and sustainable communities through participation in strategic land use planning initiatives.

Principal Activities in 2004/2005

Provincial Planning Services is responsible for the review of development plan by-laws, land subdivisions, and annexation proposals on behalf of the Province. It also serves as the Secretariat to the Interdepartmental Planning Board of deputy ministers of departments responsible for land use matters. In 2004/05, the Branch's activities included the following:

- *Review of Development Plan By-laws and Amendments:* Provincial Planning Services co-ordinated 113 reviews of new development plan by-laws and by-law amendments in consultation with other government departments and agencies. The Branch made recommendations to the minister on compliance of the by-laws with the Provincial Land Use Policies Regulation as well as other provincial regulations.

- *Review of Subdivision Applications:* Provincial Planning Services is responsible for the assessment and review of subdivision applications that have had issues or concerns identified through the local or provincial review process. Approximately 27 subdivision applications were referred to Provincial Planning Services for analysis and a recommendation on approval or rejection. Efforts are made to resolve issues between the applicant and the concerned agencies and parties.

- *Representing Provincial Interests in Land Use and Development at Hearings*: Provincial Planning Services is authorized to appear and make representations under *The Planning Act* at various hearings on development plan by-laws, zoning by-laws and subdivisions. In 2004/05, Provincial Planning Services staff represented provincial interests at seven hearings.

- *Municipal Boundary Reviews:* Annexation, Amalgamation and Expansion Proposals: Provincial Planning Services co-ordinated the provincial review of eleven proposals submitted by municipalities under *The Municipal Act*. The Branch consulted with other departments and, where possible, mitigated and resolved outstanding issues with the affected municipalities. The Branch prepared reports to The Municipal Board and, upon approval of each proposal, prepared the draft boundary regulation.

- *Interdepartmental Planning Board:* Community and Land Use Planning Services assisted the Interdepartmental Planning Board in fulfilling its mandate for interdepartmental and inter-agency consultation and co-ordination on all local planning related proposals such as development plans, zoning by-laws and subdivision applications.

- *Shoal Lake Water Quality Agreement:* The Provincial Planning Services Branch oversees the Shoal Lake Water Quality Agreement on behalf of the Province. The Shoal Lake Agreement was signed by Manitoba, Winnipeg and Shoal Lake First Nation No. 40 in June 1989 and came into effect with the signing of a five-year parallel agreement between Shoal Lake First Nation No. 40 and Canada on September 18, 1990. The Shoal Lake Agreement has a term of 60 years. The overall objectives of the Agreement are to protect and maintain the quality of Winnipeg's drinking water, and to promote economic viability for Shoal Lake First Nation No. 40.

The 1989 Agreement provided for the establishment of a $6,000.0 Trust Fund ($3,000.0 each from the City and Province) in consideration of the First Nation's regulation of certain activities on the Reserve for a period of 60 years. The Trust Fund is administered by a trust company on behalf of the three parties. Provided it fulfils its obligations under the Agreement, the First Nation will receive the annual income from the Trust Fund until the Agreement concludes after 60 years.

Since the Agreement came into effect in September 1990, all of the income earned by the Trust Fund has been disbursed to the First Nation: a total to December 31, 2004 of $7,792.0.

Highlights in 2004/2005

Provincial Planning Services co-ordinated several major policy initiatives aimed at strengthening the land use planning framework in Manitoba and the Capital Region.

- *Planning Law Review:* Provincial Planning Services continued the review of the Province's planning statutes with a view to streamlining and modernizing the land use planning process. Further consultations were undertaken and a new revised *Planning Act* was drafted with the intention of it being forwarded to the Legislature as a bill in the spring session.

- *Provincial Land Use Policy Review (PLUP):* A review of the current PLUP Regulation 184/94 was initiated in 2001/2002. The Provincial Land Use Policies provide a framework for integrated and sustainable land use decision-making in Manitoba. The first phase involving interdepartmental consultation has been completed and proposed revisions to the current policies have been drafted and are being reviewed with provincial departments. Public consultation will follow in 2005/06 followed by preparation of a revised Regulation.

- *Capital Region:* In October 2003, the Regional Planning Advisory Committee (RPAC) concluded its public consultations and submitted its final report *"A PARTNERSHIP FOR THE FUTURE - Putting the pieces Together in the Manitoba Capital Region"* to the Province. The Capital Region Committee (CRC) comprised of the Mayors and Reeves in the Capital Region and two representatives of the Province has met several times to share information and discuss issues of regional interest including the proposed new *Planning Act*, the proposed *Water Protection Act*, and improvements to environmental legislation. The Department has committed to providing financial and staff support to a computer-assisted planning scenario tool known as MetroQUEST that will facilitate the development and evaluation of various planning scenarios.

- *The City of Winnipeg (Planning Provisions):* Provincial Planning Services assisted the City of Winnipeg with planning and development issues.

- *2005 Manitoba Planning Conference:* In 2004/05 Community and Land Use Planning Services facilitated the 2005 Manitoba Planning Conference held at the Keystone Center in Brandon, Manitoba on February 9-11th. The conference was a joint initiative with the Brandon and Area Planning District, the Mid-West Planning District, and other partner organizations including the Association of Manitoba Municipalities, Manitoba Building Officials Association, Manitoba Professional Planners Institute, the University of Manitoba Department of City Planning and Brandon University. The theme of the Conference was "Framing our Future – Managing Change", and was attended by some 350 delegates.

- *Manitoba Planning Excellence Awards:* Provincial Planning Services co-ordinated the third annual Manitoba Planning Excellence Awards. Adjudicated by a jury of experts and presented by the Minister of Intergovernmental Affairs and Trade, these awards recognize and promote outstanding examples of planning practice in Manitoba. In 2004/05, two planning excellence awards were made, and one planning project received honourable mention.

2(b) Provincial Planning Services

Expenditures by Sub-appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over/(Under)	Expl. No.
Total Salaries	348.0	5.00	337.8	10.2	
Total Other Expenditures	115.8	0.00	204.7	(88.9)	
Less: Recoverable from Urban and Rural Economic Development Initiatives	(117.6)	0.00	(171.1)	53.5	
TOTAL	346.2	5.00	371.4	(25.2)	

Community Planning Services

The Community Planning Services Branch supports the development of healthy, sustainable communities by providing regionally-based community planning and development services. Located in nine regional centres across Manitoba and supported by a Winnipeg office, the Branch delivers professional and technical planning services to local planning authorities, northern communities and the public, and carries out the responsibilities delegated to staff under *The Planning Act* and *The Municipal Act*.

Principal Activities in 2004/2005

- Staff provided professional and technical services to municipalities and planning districts preparing development plans and zoning by-laws, and related amendments. In 2004/05 staff assisted in the preparation and adoption of 227 planning by-laws. These by-laws ensure local control over the use and development of land.

- The Branch provided advice and assistance to local governments and provincial agencies in the implementation of sustainable development principles in the planning and development process.

- The Branch continued to work in partnership with Aboriginal and Northern Affairs to provide strategic planning and land use planning services to unincorporated northern communities. In 2004/05 the Branch undertook major planning projects in six northern communities.

- The Branch provided advice and assistance to other provincial departments and agencies on the use and development of land. In 2004/05, staff reviewed 159 proposals for the disposition or development of Crown land, and provided comments to Manitoba Conservation.

- Staff provided alternative dispute resolution assistance to municipalities on matters related to planning and development, and municipal restructuring and boundary alterations. The objective was to facilitate local resolution of inter-municipal issues prior to or in lieu of a Municipal Board application and hearing.

- Staff processed 771 new applications for subdivisions as the delegated subdivision approving authority under *The Planning Act*. Staff also processed 10 applications in northern Manitoba on behalf of Manitoba Aboriginal and Northern Affairs and reviewed 113 applications submitted to the Brandon and Area Planning District Board, the Selkirk and District Planning Area Board, and the Lac du Bonnet Planning District Board.

- In 2004/05, 54 by-laws for the closure of roads and public reserves were reviewed and approved on behalf of the Minister. The authority to make decisions on by-laws for the closure of roads and public reserves has been delegated to senior regional planning staff.

- Regional staff participated in the review of major proposed livestock operations through the Technical Review Committee process under *The Planning Act*. In 2004/05 staff contributed to 18 new technical review reports prepared for consideration by municipal councils.

- Branch staff provided advisory assistance to planning districts and municipalities to deal with land use issues related to livestock development as part of Manitoba's Livestock Stewardship Initiative. This Initiative is intended to ensure that the expansion of the livestock industry is sustainable both to protect the environment and to derive the maximum social and economic benefit for Manitoba communities and the provincial economy.

- Staff provided support to the Provincial Planning Services Branch in the reviews of Manitoba's Planning Law, the Provincial Land Use Policies and Capital Region initiative.

Highlights in 2004/2005

- The Branch supported the expansion of one new planning district in 2004/05 bringing the total to 44 planning districts involving 142 member municipalities. Planning districts play a key role in developing effective responses to community and land use planning issues.

- Staff continued working to build the capacity of communities to deal with development and land use planning issues by providing educational and training opportunities for elected and appointed municipal officials. In 2004/05, the Branch assisted in organizing the annual Manitoba Planning Conference, which provided educational and information sharing opportunities for elected and appointed officials involved in planning.

- Under the Community Planning Assistance Program, in 2004/05 the Branch provided a total of $51,639 to 10 planning districts and municipalities to assist in preparing or updating local planning by-laws.

- Branch staff played a significant role on the interdepartmental committee led by Water Stewardship in developing a nutrient management strategy in relation to the proposed *Water Protection Act*.

Summary of Planning Services by Regional Office (2004/05) [1]

Regional Office	Development Plans & Amendments	Zoning By-laws & Amendments	Other By-laws	Sub-divisions	Livestock Technical Reviews	Crown Land Reviews
Beausejour	13	16	18	90	0	38
Brandon	9	26	11	99	4	1
Dauphin	2	10	11	81	0	6
Deloraine	1	9	4	21	3	0
Morden	4	36	9	149	1	0
Portage	6	29	4	80	1	3
Selkirk	8	21	0	170	0	26
Steinbach	5	23	9	192	9	6
Thompson	3	6	1	12	0	79
TOTALS	**51**	**176**	**67**	**894**	**18**	**159**

[1] Figures represent new initiatives and do not include active files from previous years.

2(c) Community Planning Services

Expenditures by Sub-appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over/(Under)	Expl. No.
Total Salaries	2,753.3	48.00	2,996.8	(243.5)	
Total Other Expenditures	749.7	0.00	1,033.3	(283.6)	
Less: Recoverable from Rural Economic Development Initiatives	(278.1)	0.00	(556.4)	278.3	
TOTAL	3,224.9	48.00	3,473.7	(248.8)	

Provincial-Municipal Support Services

2004/2005 Highlights

- Completed a review of the legislation governing local elections to modernize and streamline the local election process, resulting in the proposed *Municipal Councils and School Boards Elections Act*.
- Provided strategic, technical and other assistance to support the merger of the Village of Powerview and the company-owned Townsite of Pine Falls to form the new Town of Powerview-Pine Falls, effective May 1, 2005.
- Worked towards implementation of the 2006 General Reassessment, which involves updating all property assessments to reflect 2003 market values to ensure fairness in property taxation. *The Municipal Assessment Act* requires reassessments be undertaken every 4 years.

Executive Administration

The office of the Assistant Deputy Minister co-ordinates program delivery within the Division. Direction is provided to staff of the Division to carry out programs and services in the areas of education and training, advisory, financial, property assessment and data processing services to local government. The Assistant Deputy Minister's office provides the Deputy Minister, the Minister and the Executive level of government with information and advice regarding matters of concern relating to local government.

3(a) Executive Administration

Expenditures by Sub-appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over/(Under)	Expl. No.
Total Salaries	151.1	2.00	161.6	(10.5)	
Total Other Expenditures	18.1	0.00	29.5	(11.4)	
TOTAL	169.2	2.00	191.1	(21.9)	

Assessment Services

The Branch provides property assessment services related to 393,000 roll entries, with a total market value of $28.9 billion, to:

- 198 Manitoba municipalities (Winnipeg provides its own assessment services).
- Manitoba Aboriginal and Northern Affairs, for the 61 communities under its jurisdiction.
- Manitoba Education and Youth.
- 36 Manitoba school divisions.

The assessment services include determining the values, classification, and liability to taxation of:

- "Real property" (land and buildings) in all 198 municipalities.
- "Personal property" (equipment) used for gas distribution systems and for oil and gas production in all municipalities, and other personal property in 134 municipalities that impose a personal property tax.
- "Business assessment" in 61 municipalities that impose a business tax.

Principal Activities in 2004/2005

- Updating the 2004 assessment rolls for 2005 to reflect new construction and also changes in owner, owner address, legal description, subdivision of land or additions to buildings; issuing notices to the affected owners; and providing the preliminary and final rolls to the municipalities. Over 93,278 changes were recorded for the 2005 rolls.
- Responding to the 766 appeals filed at the Boards of Revision in 2004 and the appeals filed at the Municipal Board (7 filed in 2004/05 and 26 outstanding from previous years).
- Providing municipalities with the information required for "supplementary taxation" – tax bills for new construction that was not on the final assessment roll delivered in the previous year, thus ensuring municipalities collect the full tax revenue they are entitled to.
- On-going property reviews, undertaken to ensure property records are current. Approximately 64,000 properties were reviewed.
- Conducted the quadrennial reassessment so that all properties can be issued assessment notices in the spring of 2005.
- Informing stakeholders about the assessment process, by:
  - meeting with municipal councils and responding to public inquiries;
  - publishing a guide for conducting Boards of Revision and *Reference Sheets* for councils and *Fact Sheets* and brochures, describing why and how property is assessed, for the public; and
  - providing public access to assessments via the Internet and to detailed computer data by subscription to Manitoba Online.

The Branch also researches issues related to property valuation, develops policies and procedures for the district offices, liaises with the City Assessor, and assists businesses, other organizations and other provincial and federal government departments with respect to assessment issues. The Branch also provides advice to government on legislative and policy issues related to property assessment.

For additional information on Market Value Assessment see Appendix A, and for additional information on Total School Assessment see Appendix B.

The Assessment Branch operates on a cost-recovery basis. Of its total budget ($8,453.4), 25% is recovered from Education, Citizenship and Youth and 75% is paid by municipalities.

Clients

- *Municipalities* use the assessments as a critical component in raising the municipal taxation necessary to support their local service delivery.
- *Manitoba Education and Youth* (Education Support Levy) and the Province's *36 school divisions* (special levy) use the assessments in raising the revenue necessary to support school programs.
- *All government departments* with responsibility for Crown property use the assessments as the basis of grant-in-lieu of tax payments made to municipalities.
- *Property owners, fee appraisers, lending institutions and the public* also use assessment data for a variety of purposes.

Highlights in 2004/2005

- *Technological Changes to Improve Assessment Services:* The Manitoba Assessment Valuation and Administration System (MAVAS), the electronic system used to support the assessment function, was further developed to expand its Geographical Information System capabilities. In addition, improvements were made to the process on how information on sold properties is acquired and recorded. These initiatives will enable staff to input and access data faster, perform quality control tests more effectively, and communicate better with clients.
- *Harmonization of Assessment Branch and City of Winnipeg Property Assessment Department Practices:* The Provincial Municipal Assessor and the City of Winnipeg Assessor continued a systematic review of assessment policies and procedures, aimed at ensuring commonality of approach wherever possible to increase consistency and equity of assessments across the Province.

3(b) Assessment Services

Expenditures by Sub-appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over/(Under)	Expl. No.
Total Salaries	6,788.2	124.50	6,815.4	(27.2)	
Total Other Expenditures	1,464.0	0.00	1,638.0	(174.0)	
Less: Recoverable from Education, Citizenship and Youth	(2,113.3)	0.00	(2,113.3)	0.0	
TOTAL	6,138.9	124.50	6,340.1	(201.2)	

Municipal Finance and Advisory Services (MFAS)

The MFAS Branch supports the building and maintenance of strong municipal governments that can efficiently and effectively respond to their changing environments and serve as the foundation for healthy, viable municipalities.

The specific support provided to municipalities varies widely depending on the capacity and size of the municipality and its government. Winnipeg, as a large urban centre, operates under a different legislative and funding framework and does not generally require advisory services.

Principal Activities in 2004/2005

- Providing a relevant and enabling legislative and policy framework.
- Providing capacity-building advisory and consultative services on administrative, governance and financial matters.
- Ensuring municipalities meet statutory requirements for financial budgeting, accounting, reporting and capital borrowing, as well as performing due diligence for capital borrowings.
- Providing annual financial assistance to support the operating and capital priorities of municipalities.

Highlights in 2004/2005

- Completed a review of the legislation governing local elections to modernize and streamline the local election process, resulting in the proposed *Municipal Councils and School Boards Elections Act*. The new Act replaces *The Local Authorities Election Act* and is expected to be in place for the 2006 general election.
- Broadened the legislative authority under *The Municipal Act* for all municipalities to develop tax credit and grant programs, to use tax increment financing in support community priorities and neighbourhood revitalization efforts and to address emerging issues related to mobile homes.
- Amended regulations established under *The Municipal* Act to:
  - Increase the fees municipalities can charge companies transporting aggregate material on municipal roads under The Aggregate Mining and Transportation Fees and Agreements Regulation, providing additional revenues for municipal road repairs; and
  - Adjust Local Urban District (LUD) boundaries in various municipalities under The Local Urban Districts Regulation, so that municipalities can provide and recover the cost for an enhanced level of municipal services provided to property owners within the LUD boundaries.
- Supported the continued development and implementation of municipally-driven restructuring initiatives in rural Manitoba by:
  - Presenting a workshop at the 2005 Municipal Officials Seminar, providing practical advice and solutions on financial, governance and other municipal restructuring issues; and
  - Developing and maintaining statistical information that municipalities can use to assess viability and support discussions regarding the need for restructuring.
- Provided strategic, technical and other assistance to support the merger of the Village of Powerview and the company-owned Townsite of Pine Falls to form the new Town of Powerview-Pine Falls, effective May 1, 2005. The merger brings an elected municipal government structure to the last company-owned town in Manitoba.

- Continued to develop capacity in support of local decision making by:
  - Revising *The Municipal Act* Procedures Manual to provide updated information on legislative/regulatory changes and policy issues including tax sharing agreements, municipal grant/tax credit and tax increment financing programs.
  - Developing and providing municipalities with a new series of information bulletins.
  - Delivering training sessions, in conjunction with the Manitoba Municipal Administrators Association, to enhance local capacity with respect to financial administration. Topics included budgeting, tax sales and financing options.

- Revised the *"2003 Statistical Information for Municipalities"* publication, to improve the relevance and usefulness of this information and facilitate more relevant comparisons between like municipalities, including additional analysis of changes in municipal population, cost of government and governance issues.

- Undertook due diligence requirements related to municipal capital borrowing to assist municipalities in financing capital projects. In 2004, $29.8 million in capital borrowing was conducted by Manitoba municipalities, a 27% increase from the $23.5 million borrowed in 2003. The number of borrowing applications decreased from 73 in 2003 to 62 in 2004.

- Continued to develop changes to municipal financial reporting practices to move towards compliance with Public Sector Accounting Board (PSAB) standards.

- Delivered comprehensive funding support to all Manitoba municipalities. The Province has a different arrangement for financial support to Winnipeg than other municipalities, given the different needs, demographics and economies of these municipalities. All municipalities, however received a share of provincial income tax revenues through Provincial Municipal Tax Sharing (PMTS) payments. Manitoba is unique in providing municipalities a share of provincial income tax revenues that grow along with the economy.

  PMTS payments are equal to 2.2 points of the percentage of the personal tax otherwise payable under the *Income Tax Act* (Canada) and an amount equal to one percent of the taxable income of corporations earned in Manitoba (net of capital gains refunds). In 2004/05, $82.3 million was provided to Manitoba municipalities, consistent with the amount provided in 2003/04. Although these payments are administered by branch staff, they are not reflected in the estimates of the Department.

- Over $100 million in provincial funding was provided to the City of Winnipeg in 2004/05 through the Department, including PMTS payments ($47.3M), ongoing operating and capital grant funding and special strategic allocations to address priority projects and initiatives identified during the year. Program related support was also provided to the City from other provincial government departments.

- Municipalities outside the City of Winnipeg also received funding support through a number of unconditional and conditional grant programs, including PMTS payments ($35.0M). Additional capital support was provided on a project basis through other programs including the Canada-Manitoba Infrastructure Program, Manitoba Water Services Board and through support for Conservation Districts.

- The 2005 Budget announced the creation of the new Building Manitoba Fund, which will provide all municipalities with increased funding to address municipal service and infrastructure priorities through a share of provincial tax revenues. Municipalities will receive General Assistance grants, which replace PMTS payments, along with support for municipal roads and transit service through the Fund.

3(c) Municipal Finance and Advisory Services

Expenditures by Sub-appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over/(Under)	Expl. No.
Total Salaries	996.3	17.30	1,128.3	(132.0)	
Total Other Expenditures	424.4	0.00	355.3	69.1	
Less: Recoverable from Urban Development Initiatives	(105.0)	0.00	(105.0)	0.0	
TOTAL	1,315.7	17.30	1,378.6	(62.9)	

Information Systems

The Branch supports and improves the delivery of Intergovernmental Affairs and Trade programs by introducing advanced information technology, developing new systems, and helping redesign business processes.

The Branch provides application development, technical support, and clerical support to tax billing, assessment, and internal departmental systems.

Principal Activities in 2004/2005

- Support, operation and maintenance of the Manitoba Assessment Computer System (MACS) and the Manitoba Assessment Valuation and Administration System (MAVAS) to produce annual assessment rolls and notices for municipalities, including enhancements to ensure that the technology supporting these business processes remains current.

- Support, operation, and maintenance of the Manitoba property tax system to prepare annual property tax statements and related reports for municipalities, and water-billing services for some municipalities.

- Support and operation of other Intergovernmental Affairs and Trade systems, including maintaining:
  - the Community Planning Services (CPS) Activity Tracking System to provide the ability to monitor the progress of various items at the regional planning offices;
  - the Municipal Board Letters System for the Municipal Board to schedule and track hearings and send out notices to appellants;
  - the Capital Region Geographical Information System to provide Internet based public access to land based data for the Capital Region;
  - the Manitoba Education/Property Tax Credit Advance (MEPTCA) System, used to confirm eligibility and provide qualified taxpayers with the MEPTCA deduction; and
  - a variety of other smaller systems to support functions such as budgets and salary projections.

Clients

- *Primary internal clients* are *other Intergovernmental Affairs and Trade branches (primarily the Assessment Branch)* that rely on Information Systems to provide information technology services. Other internal clients include Manitoba Education and Youth and Manitoba Finance.

- *Primary external clients* are municipalities for the assessment rolls and notices, budget re-caps, and tax statements for budgeting and tax collection purposes.

- *Secondary external clients* are organizations involved in real estate, appraisal, financial or legal business sectors that receive assessment data from Information Systems.

Highlights in 2004/2005

- *Migrating assessment and property tax systems processing:* Continuing to implement the long-term plan to increase functionality without increases in system costs, by continuing to reduce the use of the IBM mainframe system for assessment and property tax systems processing. With the bulk of the assessment processing migrated to a PC based system, work was completed on redeveloping the property tax system, which will provide much-needed enhancements. To date, this initiative has been very successful, adding significant functionality within existing budget levels.

- *Production of property tax statements:* 2004 property tax statements were printed and distributed for all Manitoba properties outside Winnipeg.

- *Production of property assessment notices and rolls:* 2005 Property assessment notices and rolls were prepared and distributed for all Manitoba properties outside Winnipeg.

- *Geographical Information Systems implementation:* Work was completed on centralizing the storage of all property parcels for use by all Intergovernmental Affairs and Trade staff. Additional functionality was added to the property assessment system to enable customized spatial analysis.

- *2006 Reassessment:* The bulk of 2006 reassessment processing was completed in 2004/2005 beginning with reassessment modeling scenarios and concluding with printing property assessment notices and rolls and tax impact reports.

3(d) Information Systems

Expenditures by Sub-appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over/(Under)	Expl. No.
Total Salaries	953.4	15.30	929.3	24.1	
Total Other Expenditures	1,213.3	0.00	1,373.1	(159.8)	
Less: Recoverable from Education, Training and Youth	(449.2)	0.00	(449.2)	0.0	
TOTAL	1,717.5	15.30	1,853.2	(135.7)	

Financial Assistance to Municipalities

Financial Assistance for The City of Winnipeg

The Province provides a comprehensive package of funding support to the City of Winnipeg, administered by the Department of Intergovernmental Affairs and Trade, which includes operating and capital grants and strategic priority funding to address key City funding pressures. Funding is offset to reflect the cost neutral transfer of the City's income assistance and Ombudsman programs to the Province, and public health services programs to the Winnipeg Regional Health Authority respectively, in accordance with the terms of the transfer.

In 2004/05, the Department administered direct financial assistance to the City through on-going operating and capital funding programs as well as through special strategic funding allocations which provided flexible funding to address priority operating initiatives and capital projects identified throughout the year.

Capital grants are provided to the City for infrastructure projects. Funding is provided under the Urban Capital Projects Allocation (UCPA III), the Residential Street Repairs program and through a special allocation for priority capital projects. These grants are intended to provide Winnipeg with greater flexibility and autonomy in capital expenditure decisions, greater certainty in capital funding, as well as to support Manitoba's commitment to municipal infrastructure renewal through a financial partnership between the Province and the City.

A total of $19.0 million in capital funding was provided to the City in 2004/05. This was comprised of:

- Payments totaling $12,864.1 were made for previously approved commitments under UCPA III and for new capital project funding commitments made in 2004, including support for City sewage treatment facilities and new transit buses.

- Residential Street Repairs program funding of $5.0 million was provided to cost-share needed repairs to residential streets throughout Winnipeg.

- Priority capital projects funding of $1,150.0 was also provided through a special allocation to support capital projects identified during the year.

In addition to operating and capital grant funding, Winnipeg also received a share of personal and corporate income tax revenues through Provincial Municipal Tax Sharing (PMTS) payments. Over $100.0 million in provincial funding was provided to the City in 2004/05 through the Department of Intergovernmental Affairs and Trade, in addition to program related support from other provincial government departments.

4(a) Financial Assistance for The City of Winnipeg

Expenditures by Sub-appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over/(Under)	Expl. No.
Operating Assistance:					
Unconditional Current Programs Grant	19,887.5	0.00	19,887.5	0.0	
Unconditional Transit Operating Grant	16,854.0	0.00	16,854.0	0.0	
General Support Grant	8,577.6	0.00	8,622.1	(44.5)	
Dutch Elm Disease Control Program Grant	900.0	0.00	900.0	0.0	
Unconditional Grant – Urban Community Development	8,820.0	0.00	6,600.0	2,220.0	1
Strategic Priority Initiatives	1,709.0	0.00	1,000.0	709.0	2
Less: Adjustment to reflect Program transfers from the City of Winnipeg	(23,650.0)	0.00	(23,650.0)	0.0	
Capital Assistance:	19,014.1	0.00	19,850.0	(835.9)	3
TOTAL	52,112.2	0.00	50,063.6	2,048.6	

Explanation

1. ***Reflects actual 2004 VLT revenues.***
2. ***The City of Winnipeg received $1.7 million through a special allocation to address key operating funding pressures, including $909.0 to support the extension of nuisance mosquito larviciding outside the City boundaries and $800.0 for the City's arson unit.***
3. ***Actual cash flow requirements were lower than estimated due either to delays in completion of some projects or some projects coming in lower than anticipated. Funding was redirected to provide the City with additional funding to address operating pressures in 2004/05.***

Financial Assistance to Other Municipalities

Operating Assistance

Transit Grants

Unconditional transit operating grants are provided to urban centres that operate a public transportation system (Brandon, Thompson and Flin Flon).

The Mobility Disadvantaged Transportation Program assists communities that have taken the initiative in providing transportation services for the mobility disadvantaged. These services enable mobility disadvantaged citizens to live more independently. The Department provides eligible municipalities with a one-time start-up grant ($6,000), and operating grants based on 37 1/2% of gross operating expenses ($20,000 maximum; $30,000 for two vehicles). In 2004/05 funding was provided to 63 communities.

General Support Grants

The General Support Grant provides Manitoba municipalities with unconditional financial support intended to offset the Province's Health and Post Secondary Education Levy. The grant is distributed to municipalities based on the prior year's actual payroll. Municipalities with actual payroll costs less than $2.0 million received a grant of 4.3% of payroll costs less a $1.0 million payroll exemption. Municipalities with actual payroll costs greater than $2.0 million received a grant of 2.15% of payroll costs.

Unconditional Grants – Rural Community Development

The Rural Community Development Grant provides unconditional support to all municipalities (excluding Town of Winkler and LGD of Mystery Lake) and Northern Affairs communities, funded by a 10% share of net Video Lottery Terminal (VLT) revenues generated in rural communities. In 2004/05 municipalities received a per capita payment of $13.65. Manitoba Aboriginal and Northern Affairs receives a portion of the VLT funding available for distribution based on the population of the Northern Affairs communities as a percentage of the total Manitoba population, excluding First Nations and the City of Winnipeg. The 2004/05 payment to Manitoba Aboriginal and Northern Affairs was $122,303.

Capital Assistance

Transit Bus Purchases

Under this program capital grants are provided to assist municipal governments (excluding the City of Winnipeg), operating public transit and handi-transit services, with the purchase of buses.

A transit capital grant of $100.0 is provided to the City of Brandon. The Mobility Disadvantaged Transportation Program (in addition to providing annual operating grants) provides municipalities operating a handi-transit system a one-time capital grant of 50% of the net cost to purchase a handivan to a maximum of $10.0.

4(b) Financial Assistance to Other Municipalities

Expenditures by Sub-appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over/(Under)	Expl. No.
Operating Assistance:					
Transit Grants	1,644.7	0.00	1,683.7	(39.0)	
General Support Grants	1,209.3	0.00	1,184.5	24.8	
Unconditional Grants – Rural Community Development	8,700.0	0.00	6,990.0	1,710.0	1
Capital Assistance:					
Transit Bus Purchases	100.0	0.00	130.0	(30.0)	
Total	11,654.0	0.00	9,988.2	1,665.8	

Explanation

1. Reflects actual 2004 VLT revenues.

Grants to Municipalities in Lieu of Taxes

Grant in lieu of taxes on land exempt from municipal taxation is paid to municipalities for services extended to provincial lands contained within local government boundaries. A grant, equivalent to school and municipal taxes, is paid on all provincial properties except those that are exempt. Exempt properties include public highways, provincial waterways and land in provincial park or recreation areas.

	GRANTS IN LIEU PAID	
	2003/04($)	2004/05($)
RMs	2,137.8	2,202.5
Villages	35.8	37.4
Towns	993.8	1,061.5
LGDs	10.4	11.2
Cities (excluding Winnipeg)	2,723.3	2,858.5
City of Winnipeg	8,320.4	8,120.7
Northern Affairs	141.4	149.6
Agricultural Refunds	(27.6)	(19.7)
Municipalities and Northern Communities	14,335.3	14,421.7

4(c) Grants to Municipalities in Lieu of Taxes

Expenditures by Sub-appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over/(Under)	Expl. No.
Grants	14,421.7	0.00	14,960.8	(539.1)	
Recoverable	(14,749.2)	0.00	(14,749.2)	0.0	
TOTAL	(327.5)	0.00	211.6	(539.1)	

Recoverable From Urban and Rural Economic Development Initiatives

This Program provides for the partial recovery of operating and capital expenditures related to the Mobility Disadvantaged Transit Program from the Rural Economic Development Initiatives Program. Provides for the recovery of expenditures related to the Dutch Elm Program from the Urban Development Initiatives Program.

4(d) Recoverable From Urban and Rural Economic Development Initiatives

Expenditures by Sub-appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over/(Under)	Expl. No.
Recoverable	(1,981.0)	0.00	(2,055.0)	74.0	

Canada-Manitoba Agreements

Canada-Manitoba Infrastructure Secretariat

The Canada-Manitoba Infrastructure Secretariat administers infrastructure and economic development federal-provincial cost-shared programs supportive of the Department's mandate:

- The following ***Canada-Manitoba Infrastructure Programs (CMIPs)*** provide capital contributions to enhance local infrastructure and thereby strengthen the foundation of local government.
  - The ***Canada-Manitoba Infrastructure Program (CMIP), 2000-2006;***
  - The Canada-Manitoba Infrastructure Program under the ***Municipal Rural Infrastructure Fund (MRIF), 2004-2013;*** and
  - The ***Canada Strategic Infrastructure Fund (CSIF)***

- The ***Canada-Manitoba Economic Partnership Agreement (EPA)*** strengthens and diversifies Manitoba's economy by building on existing economic strengths, enhancing the skills of Manitoba's workforce and promotes regional development in accordance with two strategic priorities: ***Building our Economy*** and ***Sustainable Communities.***

With these programs, the activities of the Secretariat are in line with the primary roles of the Department – direct service delivery to local governments and co-ordinating federal-provincial program delivery in conjunction with local communities.

Principal Activities in 2004/2005

Staffed with federal and provincial officials, the joint Secretariat minimizes overlap and duplication in federal-provincial program delivery and contributes to a co-operative federal-provincial relationship. The primary responsibility is delivery of the Canada-Manitoba Infrastructure Programs:

- Providing program support to both the federal and provincial Ministers responsible for Infrastructure.
- Managing the local application intake, review, and approval process.
- Overseeing the environmental assessment of projects.
- Facilitating the local government consultative process.
- Administering funding contributions to local government infrastructure projects.
- Co-ordinating public information activities.

As mentioned, the Secretariat is also responsible for provincial EPA delivery. Unlike CMIP, federal and provincial EPA delivery is administered separately by respective governments.

The cost-shared agreements are the main vehicles of major federal and provincial funding support to infrastructure and economic development projects throughout the Province.

Highlights in 2004/2005

For further information relating to CMIPs and EPA 2004/05 highlights and project approvals, refer to the separate Annual Reports published for each.

Canada-Manitoba Infrastructure Program (CMIPs)

Manitoba contributes funding to infrastructure projects through three Canada-Manitoba Infrastructure Programs:

1. Canada-Manitoba Infrastructure Program (CMIP), 2000-2006;
2. Canada-Manitoba Infrastructure Program under the Municipal Rural Infrastructure Fund (CMIP-MRIF), 2004-2013; and
3. Canada Strategic Infrastructure Fund (CSIF)

The federal-provincial funding enhances community public infrastructure. Provincial participation in the federal-provincial agreements provides support to local infrastructure on a multi-year basis, enabling predictable and ongoing municipal infrastructure support.

The CMIPs are application-based, multi-year programs supporting enhancements to Manitoba's urban, rural, and northern municipal infrastructure. Through the construction, renewal, expansion or material enhancement of infrastructure throughout Manitoba, the CMIPs are improving the quality of life for all citizens and building the foundation for sustained long-term economic growth in the 21st century.

The CMIPs continue a history of investment collaboration and partnership between, Canada, Manitoba and local governments on enhancements to infrastructure. CMIPs are funded by equal contributions from the federal government, Manitoba government, and community partners such as local governments and other community organizations in the private and non-profit sectors. Project proponents incur and pay 100 per cent of the project costs up front, and are reimbursed by the federal and provincial governments for up to two-thirds of the approved funding total.

A Federal-Provincial Local Consultative Committee (FPLCC) on Infrastructure was established to assist in the review of project funding. Projects outside of Winnipeg are reviewed by officials from the Association of Manitoba Municipalities and the Northern Association of Community Councils, while projects inside Winnipeg are reviewed by officials from the City of Winnipeg.

Green municipal infrastructure is an important priority. This includes projects that will protect and/or enhance the quality of our environment, such as water and wastewater systems, water management, solid waste management, recycling, public transit, and environmental energy improvements. Other local infrastructure is also eligible, including local transportation infrastructure, cultural and recreational infrastructure, infrastructure supporting tourism, and connectivity.

The CMIP-MRIF is primarily targeted to local infrastructure in rural and northern Manitoba.

CSIF projects are large scale, strategic urban infrastructure projects, beyond the funding capacity of the CMIP-MRIF program.

A separate Annual Report on the Canada-Manitoba Infrastructure Programs is prepared each fiscal year.

5(a) Infrastructure Programs

Expenditures by Sub-appropriation	Actual 2004/05 $	FTE	Estimate 2004/05 $	Variance Over/(Under)	Expl. No.
Infrastructure Programs	11,059.9	6.00	13,497.2	(2,437.3)	1

Explanation

1. ***Proponents did not submit claims as forecasted as construction proceeded slower than anticipated.***

Canada-Manitoba Economic Development Partnership Agreement (EDPA)

Consisting of matching federal and provincial contributions, the Canada-Manitoba Economic Development Partnership Agreement was a five-year, $40 million program which ended March 31, 2004. The objective of EDPA was to promote greater federal-provincial co-operation in Manitoba's economic development through strategic investments with other interested stakeholders. Since the Program was announced in 1998, some 50 projects were funded throughout Manitoba, levering potential expenditures from all partners of over $141 million. Strategic priorities were:

- Business Development
- Regional Innovation
- Regional Strategic Priorities
- Innovative Economic Development Studies.

A separate Annual Report on the Canada-Manitoba Economic Development Partnership Agreement is prepared each fiscal year.

5(b) Canada-Manitoba Economic Development Partnership Agreement

Expenditures by Sub-appropriation	Actual 2004/05 $	FTE	Estimate 2004/05 $	Variance Over/(Under)	Expl. No.
Economic Development Partnership Agreement	0.0	0.00	0.0	0.0	

The Canada-Manitoba Economic Development Partnership Agreement concluded in 2003/04.

Canada-Manitoba Economic Partnership Agreement (EPA)

Under the Canada-Manitoba Economic Partnership Agreement, the governments of Canada and Manitoba are working together and in partnership with community stakeholders on two strategic priorities – ***Building our Economy*** and ***Sustainable Communities*** – to enhance the skills of Manitoba workers and promote economic growth and diversification in Manitoba.

Building on existing economic strengths, Canada and Manitoba will work co-operatively through this agreement to:

- advance innovative research and development, and technology commercialization in Manitoba;
- support industry-based infrastructure, improve competitiveness and productivity, increase trade capacity, development and promotion, and foster an environment that attracts investment;
- support the development of a skilled workforce;
- increase access to knowledge-based infrastructure;
- promote local tourism and natural resource development opportunities;
- encourage the participation of all community members in the economy to enhance the viability, sustainability, and growth of communities throughout Manitoba.

This agreement, signed December 1, 2003, provides $50 million for programs and projects over five years, made up of matching contributions of $25 million each from Canada and Manitoba.

Partnered initiatives under each priority area may take the form of capital projects, pilot projects, business plan development, market-related research, innovative research, and so on.

A separate Annual Report on the Canada-Manitoba Economic Partnership Agreement is prepared each fiscal year.

5(c) Economic Partnership Agreement

Expenditures by Sub-appropriation	Actual 2004/05 $	FTE	Estimate 2004/05 $	Variance Over/(Under)	Expl. No.
Economic Partnership Agreement	1,588.4	0.00	1,000.0	588.4	

Winnipeg Partnership Agreement

The five-year, $75.0 million, Canada-Manitoba-Winnipeg Agreement for Community and Economic Development (known as the Winnipeg Partnership Agreement or WPA) was signed in May 2004, to promote the long-term sustainable community and economic development of the city of Winnipeg. Its aims are to address Winnipeg's economic challenges and to build on opportunities that ensure the development of a vibrant, prosperous, and healthy city – a city that values diversity and provides all of its citizens with opportunities for full participation in the economy and society. The WPA is comprised of four core component programs: *Aboriginal Participation; Building Sustainable Neighbourhoods; Downtown Renewal; and Supporting Innovation and Technology.*

The Winnipeg Partnership Agreement provides financial support for projects whose aims and objectives reflect those of its component programs. A small WPA office provides information to the public and facilitates collaboration among the three levels of government, the WPA's component programs and project proponents.

Principal Activities in 2004/2005

- The three levels of government appointed their coordinators for the WPA, identified a location for the central WPA office and developed administrative processes for project review and funding.
- Officials of the three governments, with input from the community, worked on developing and commencing implementation of the four WPA component programs.

Highlights in 2004/2005

- The Aboriginal Partnership Committee of community stakeholders was established to advise in the implementation and delivery of the Aboriginal Participation component program.

5(d) Winnipeg Partnership Agreement

Expenditures by Sub-appropriation	Actual 2004/05 $	FTE	Estimate 2004/05 $	Variance Over/(Under)	Expl. No.
Winnipeg Partnership Agreement	97.6	0.00	1,000.0	(902.4)	1

Explanation

1. The variance was due to 2004/2005 being the first year of this Agreement.

Urban Strategic Initiatives

Overview

Urban Strategic Initiatives develops and implements policies and programs in support of urban revitalization, downtown renewal and community economic development in the City of Winnipeg, both provincially and in partnership with other governments and community partners. It co-ordinates overall strategic and financial assistance to the City of Winnipeg in support of sustainable infrastructure and economic development. It implements, supports and facilitates the Winnipeg Partnership Agreement. It co-ordinates and delivers neighbourhood programming under Building Communities Agreement and the Neighbourhoods Alive! Initiative, a long term, comprehensive, community-based approach to providing the residents and other stakeholders with the tools they need to rebuild vulnerable urban neighbourhoods in Winnipeg, Brandon and Thompson.

Neighbourhoods Alive!

The Neighbourhoods Alive! (NA!) initiative supports community-driven revitalization of designated vulnerable neighbourhoods in Winnipeg (West Broadway, Spence, William Whyte, Lord Selkirk Park and Point Douglas), Brandon (City Centre) and Thompson. It provides individuals and groups in the designated neighbourhoods with the tools they require to strengthen opportunities in their communities. NA! staff is responsible for the overall co-ordination of the initiative, including direct implementation of three of the six NA! programs.

Principal Activities in 2004/2005

- The Neighbourhoods Alive! unit administers the following three NA! programs:
- *Neighbourhood Renewal Fund:* Supports a broad range of community sponsored initiatives in the designated neighbourhoods, including projects that assist neighbourhood capacity building, stability, economic development and well-being.
- *Community Initiatives:* Supports projects that have a broad impact on Winnipeg's inner city or target specific groups across the inner city.
- *Neighbourhood Development Assistance:* Provides start-up and long-term core operating support for Neighbourhood Renewal Corporations (NRCs) that implement community economic development within neighbourhoods designated under Neighbourhoods Alive!
- Under Neighbourhoods Alive!, the Department also supports training initiatives that are developed and delivered by other departments, in partnership with community organizations and educational institutions.

Highlights in 2004/2005

- The Neighbourhoods Alive! initiative committed over $3.1 million for 74 projects that support the revitalization of neighbourhoods in need in Winnipeg, Brandon and Thompson. Details of these projects by neighbourhood are available on the Neighbourhoods Alive! website @ www.neighbourhoodsalive.mb.ca.
- Neighbourhoods Alive! administered and monitored 122 project grants in 2004/05.
- Neighbourhoods Alive! staff continued to provide support and advice to numerous community organizations in the designated neighbourhoods and consulted and co-ordinated revitalization activities with other departments and governments.

- The Neighbourhoods Alive! website, which provides program and project information and access to a variety of planning and project development tools, was maintained and updated.

6(a) Neighbourhoods Alive!

Expenditures by Sub-appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over/(Under)	Expl. No.
Total Salaries	173.8	3.00	189.7	(15.9)	
Total Other Expenditures	62.8	0.00	91.5	(28.7)	
Total Neighbourhood Support	3,112.8	0.00	3,392.1	(279.3)	
Less: Recoverable from Urban and Rural Economic Development Initiatives	(889.8)	0.00	(1,160.0)	270.2	
TOTAL	2,459.6	3.00	2,513.3	(53.7)	

Neighbourhood Programs

The Neighbourhood Programs Branch researches, develops, implements and co-ordinates sustainable and integrated provincial urban public policy and programs in support of neighbourhood revitalization and community economic development.

Principal Activities in 2004/2005

The Neighbourhood Programs Branch developed and delivered neighbourhood revitalization programs and provincial urban public policy in support of neighbourhood revitalization and community economic development. The Branch liaised extensively with other provincial departments, other levels of government and key stakeholders in the community.

- The Branch continued to co-ordinate the delivery of Neighbourhoods Alive!, the Province's long-term, comprehensive and community-driven revitalization initiative that supports community development in designated vulnerable neighbourhoods in Winnipeg, Brandon and Thompson.

- The Branch continued to co-ordinate provincial implementation of the Building Communities Agreement, a five-year $14.0 million, cost-shared capital agreement with the City of Winnipeg to improve the physical condition of declining residential neighbourhoods that shoulder Winnipeg's inner city. The community-led strategic planning processes in all six of the designated neighbourhoods were completed in 2003/04, and implementation of approved projects commenced in some of the neighbourhoods.

6(b) Neighbourhoods Programs

Expenditures by Sub-appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over/(Under)	Expl. No.
Total Salaries	321.7	5.00	285.0	36.7	
Total Other Expenditures	39.7	0.00	52.1	(12.4)	
TOTAL	361.4	5.00	337.1	24.3	

Urban Community Economic Development

The Urban Community and Economic Development Branch provides an urban redevelopment policy framework for provincial investment in strategic downtown revitalization projects and economic and community development initiatives in the City of Winnipeg, and administers Urban Development Initiatives (UDI). The Branch supports economic and community economic development initiatives within Winnipeg that enhance opportunities for developing long-term capacity and for supporting the integration of social, economic and environmental objectives.

Principal Activities in 2004/2005

The Branch supports local organizations in strengthening their capacity to develop and deliver community economic development initiatives. It also provides financial support to a variety of organizations/programs whose activities promote the revitalization and development of the City of Winnipeg. It also administers UDI, a fund that supports projects and initiatives that enhance Winnipeg's development by providing access to capital and program assistance to community-based organizations and City of Winnipeg economic development agencies (CentreVenture Development Corporation, Destination Winnipeg, and the Winnipeg Convention Centre). The UDI funding in each fiscal year is based on 25% of the anticipated VLT revenues generated within the City of Winnipeg.

- Urban Development Initiatives provided over $16 million in funding for 43 projects and activities in support of community and economic development in Winnipeg.

- The Branch in partnership with the federal government and the City of Winnipeg began the first year of a new tripartite community and economic development agreement for Winnipeg – known as the Winnipeg Partnership Agreement. The agreement will focus resources on four key priority areas: Aboriginal Participation; Building Sustainable Neighbourhoods; Downtown Renewal; and Supporting Innovation and Technology.

- The Branch established and maintained effective partnerships with both municipal and federal governments through the development and implementation of joint agreements and the co-ordination of complementary policies and programs.

6(c) Urban Community Economic Development

Expenditures by Sub-appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over/(Under)	Expl. No.
Total Salaries	252.7	4.00	260.1	(7.4)	
Total Other Expenditures	38.7	0.00	57.7	(19.0)	
Less: Recoverable from Urban Development Initiatives	(246.3)	0.00	(265.7)	19.4	
TOTAL	45.1	4.00	52.1	(7.0)	

Urban Development Initiatives (UDI)

Winnipeg has one of the most diverse economies in Canada, with steady growth and a low cost of living. UDI supports projects and initiatives that enhance Winnipeg's development. It also provides program assistance to community based organizations and City of Winnipeg economic development agencies. The level of funding each fiscal year is based on 25% of the anticipated annual VLT revenues from within the City of Winnipeg. This funding is in addition to the financial support provided directly to the City of Winnipeg by Intergovernmental Affairs and Trade – Municipal Finance and Advisory Services.

6(d) Urban Development Initiatives

Expenditures by Sub-appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over/(Under)	Expl. No.
Total Expenditures	16,484.0	0.00	16,500.0	(16.0)	

SECTION II
TRADE AND FEDERAL-PROVINCIAL AND INTERNATIONAL RELATIONS

Federal-Provincial and International Relations

Federal Provincial Relations

The Office of Federal-Provincial Relations provides strategic policy advice, analysis and support in managing Manitoba's relationships with the federal government and other provincial and territorial (PT) governments on matters of intergovernmental significance. The branch promotes Manitoba's interests in the development of interprovincial/territorial positions and policies by working with other provinces and territories, and with the Government of Canada in the development and implementation of its national policies.

A major dimension of Federal-Provincial Relations' role is to ensure a consistent corporate strategy and position is taken regarding Manitoba's priorities for action in the intergovernmental arena, as well as to ensure that members of the Government of Manitoba have adequate and timely information on the implications resulting from national and regional trends and the implementation of programs and policies by other PT governments and by the federal government.

Principal Activities in 2004/2005

In 2004/05, the office's activities included the following:

- Providing comprehensive and strategic briefing materials in support of meetings of First Ministers, the Council of the Federation, the Western Premiers' Conference, and a broad range of bilateral and multi-lateral meetings between the Premier and the Prime Minister, federal Ministers, and other Premiers.
- Implementing Cabinet's direction on a plan dealing with Manitoba's strategic federal-provincial priorities.
- Collaborating with other provinces and territories to support Premiers' and provincial/territorial Finance Ministers' work to encourage the federal government to address fiscal imbalances in Canada.
- Representing Manitoba at federal-provincial and interprovincial Deputy Ministers' and senior officials' meetings and on a number of committees that prepare for major intergovernmental conferences.
- Reviewing and evaluating policy and program initiatives as they relate to intergovernmental relations and acting as a liaison in providing strategic policy advice on relations with the federal government and other provinces and territories.
- Co-ordinating interdepartmental activities on intergovernmental policies and issues.
- Co-ordinating Manitoba's efforts for First Ministers' Meetings (FMM) on Health in September 2004 and Equalization in October 2004.

Highlights in 2004/2005

Premiers had an extremely active year in 2004/2005 with the Council of the Federation (COF) meeting on two occasions in July and September 2004 and First Ministers gathered together in September and October 2004. Western Premiers met in July 2004.

Western Premiers met in Inuvik, NWT on July 7-9, 2004 and made progress on a number of issues that are of critical importance to western Canada. Premiers discussed health care reforms and innovations they are implementing in their provinces and territories as well as the upcoming First Ministers' Meeting (FMM) on Health (September 2004). Premiers agreed to create a Western Energy Alliance to pursue further co-operative initiatives in areas such as energy efficiency, the provincial/territorial role in international energy discussions, and improved regulatory efficiency and harmonization. Other items such as BSE, strengthening the federation, and securities were also covered in depth.

The primary focus of Premiers' July 2004 COF meeting was health and health financing. Premiers advanced their Action Plan for improving health care for Canadians which formed the basis for their discussions with the Prime Minister at the September 2004 FMM. Premiers' immediate priorities included: reducing waiting times, expansion of community-based care, including primary health care, home care and mental, medical diagnostic services, health human resources, pharmaceuticals, healthy living, and information technology. Leaders from the 5 National Aboriginal Organizations (NAOs) met with Premiers in advance of the COF meeting to share their views on Aboriginal health and strategies for what has to be done.

On September 1-2, 2004, Premiers met in Toronto to review their strategic approach to the FMM on Health. Premiers took a pro-active role by proposing an agenda for the FMM.

In the lead-up to the September FMM, Federal-Provincial Relations led the interdepartmental preparations on health care to support the Premier's discussions with the Prime Minister and other Premiers. The FMM resulted in a reasonable and sustainable funding arrangement for provinces and territories and agreement on a number of significant health care reforms.

Premiers met with the Prime Minister in October 2004 in Ottawa to discuss the Equalization formula. There was agreement that, over the next 10 years, the new framework would provide $33 billion more in Equalization and Territorial Financing Formula (TFF) payments to provinces and territories.

Other Highlights

Manitoba's targeted advocacy efforts resulted in the federal government's decision to house the Headquarters for the Canadian Public Health Agency in Winnipeg (May 17, 2004).

The branch worked to advance Manitoba-led items on the COF's workplan. Along with Premier Lord of New Brunswick, Premier Doer led the work of Ministers responsible for Internal Trade as they resolved long-standing challenges related to domestic trade. This includes: successful completion of negotiations among provinces and territories on Crown procurements, progress toward addressing barriers on a range of issues such as agriculture and energy, improvements to the Agreement on Internal Trade itself, and increased PT and FPT engagement overall.

Supported negotiations on a national child care program, which the development of quality early learning and child care, and worked to secure federal funding both at the senior officials and ministerial levels.

Collaborated with other PTs to create the Council of the Federation's Advisory Panel on Fiscal Imbalance, which is to provide Canadians with an independent, objective assessment of the fiscal imbalance problem, and recommendations for how it should be addressed.

Canada-US and International Relations

Principal Activities in 2004/2005

Corporate Co-ordination

Canada-US and International Relations works in concert with other departments to ensure a corporate and strategic approach to the province's international activities. It ensures co-operation, communication and co-ordination within Government of Manitoba departments, other international governments and agencies, and the federal government.

International Projects Initiative

The International Projects Initiative (IPI) was started in 2001 to assist Manitoba companies and organizations to pursue projects financed by the Canadian International Development Agency (CIDA) and International Financial Institutions (IFIs) such as the World Bank, the Inter-American Development Bank, the Asian Development Bank, the European Bank for Reconstruction & Development, the African Development Bank and the Caribbean Development Bank. The International Projects Initiative identifies Manitoba's niche capabilities and develops alliances/consortia and public/private partnerships around these capabilities to maximize success rates in bidding for international projects. This unit assists the Manitoba private sector to make successful international connections by building upon the many government-to-government relationships that Manitoba has nurtured and supplements private sector capabilities with expertise that already exists within the Government of Manitoba. The unit also works with the IFIs to promote Manitoba's capabilities and to identify financial programs and facilities for international projects. The Initiative brings CIDA and IFI speakers to Manitoba to meet with Manitoba companies and organizations.

Highlights in 2004/2005

The achievements for 2004/05 by the Canada-US and International Relations branch include:

- Provided briefing materials and strategic support to missions to the US and international destinations, as well as briefing materials for incoming missions;

- Supported the participation of Manitoba in regional intergovernmental fora such as the Western Governors' Association, the Legislators' Forum, the Midwestern Legislative Conference, the annual B10 International Conventions, annual Hemispheria meetings, and North America's Super Corridor Coalition (NASCO).

- Supported projects related to the international activities of the Province, such as the twining relationship that exists between Manitoba and the North West Province of South Africa. The Branch also assisted in international development activities with the South African provinces of Limpopo and Northern Cape as well as the Philippines.

- Continued to develop the International Project Initiative to support Manitoba companies' access to international development work. The International Project Initiative (IPI) organized and hosted the following seminars:
    - An International Finance Corporation Ukraine Seminar (June 2004): 18 participants
    - A World Bank China Seminar (August 2004): 22 Participants
    - A World Band Energy Sector Management Assistance Program Seminar (March 2004): 18 Participants

  The International Projects Initiative also led a mission to the European Bank for Reconstruction & Development (ERDB) in June 2004 to meet with EBRD officers in the power sector and environmental sector. As a result, a Manitoba company won a contract worth approximately US$450,000 from the EBRD.

In November 2004, the IPI led a mission of 5 Manitoba companies to Washington D.C. to attend a World Bank "China Contact" seminar. An additional 3 Manitoba companies joined this mission to participate in the Western Canada Energy mission to connect with Washington International Financial Institutes.

In March 2005, IPI led a mission of 4 Manitoba companies to attend the World Bank Energy Week.

As a result of these efforts, Manitoba companies were successfully awarded $2.5 million in consulting contracts.

Prepared almost 70 International Development Opportunity Reports (IDORs) for Manitoba companies and organizations. These reports provide details on upcoming projects and procurement notices for projects being implemented by all of the IFIs for a wide range of sectors of activity, including energy, public sector reform, environment, population, private sector development, and education & training.

In March 2005, a memorandum of agreement was signed to formally name the International Projects Initiative as the World Bank's Private Sector Liaison Officer (PSLO) in Manitoba.

International Education

The International Education Branch (IEB) was formed to promote global awareness/competency and increase the cross-cultural exposure of Manitobans; maximize the benefits of international education to the Manitoba economy; encourage an approach to international education that engages all levels of education, stakeholders, fields of study/training, and all regions of Manitoba; and enhance international recognition of Manitoba as an excellent source of high quality, affordable education and training programs and services.

The IEB continues to serve as a first point of contact for international education matters, develop international education policy, and respond to inquiries and requests from international students, agents, and institutional partners. The IEB also liaises with institutions and organizations to co-ordinate recruitment, offer marketing assistance, and develop partnership strategies for the export of education services and products.

Interim international student enrollments for 2004/05 show that there was an overall year-to-year increase of over 20% across the education sector. This is impressive growth that is particularly strong within the post secondary sub-sector. The estimated economic impact from these students is over $50 million annually.

Highlights in 2004/2005

The IEB continued to carry out its responsibilities under the agreements with Citizenship and Immigration Canada and Manitoba public post-secondary institutions allowing international students to work off-campus. In 2003/04, it was noted that the project expected to attract more international students to Manitoba and serve as a template for national implementation. On April 18th, 2005, Citizenship and Immigration Canada announced the expansion of the off-campus work program across Canada.

Marketing and Promotions

The IEB continues to promote Manitoba as a provider of affordable and high-quality education services. IEB has developed a comprehensive web-site to complement its paper-based promotional materials. The site not only targets international students, but also provides information on international education opportunities for domestic students, faculty, international education administrators and the public. A public launch will take place in 2005.

The two main targets for market development for 2005 will continue to be Germany (at the secondary level) and India (at the post secondary level). A number of innovative marketing strategies are being planned for India that are designed to connect Manitoba representatives directly with Indian students who have both the academic and financial preparation to study in Manitoba. The IEB will continue researching the potential for other emerging markets while supporting institutional efforts in established markets such as China, Mexico, Korea and other countries.

International Co-operation
The number of schools overseas that offer the Manitoba curriculum is increasing. In addition to three schools in China, one in Thailand and one in Japan, other possibilities are being considered. These schools raise the Manitoba profile and prepare students to enter post-secondary institutions in the province.

The IEB is drafting a comprehensive International Education Strategy to complement the Government's international strategy. This document will provide an overall framework for government activity in the international education sector.

The IEB funded the development of a specialized English as a Second Language curriculum which has been launched by Manitoba Education, Citizenship and Youth.

The IEB continues to work on international cooperation related to education. In the context of the Manitoba-Jalisco Agreement, IEB and staff of ECY organized a two-week research program for two educators from Guadalajara. Opportunities for international cooperation will continue to be identified and presented to Manitoba institutions.

Missions and Visits
A recruitment event involving seven Manitoba school representatives was conducted in Germany during the first week of October 2004. Manitoba representatives met with over 20 German agents that send secondary and language students to North America. Feedback from Manitoba institutions and German participants has been positive and long-term relationships are already being forged. A follow-up event to reinforce these relationships will take place in October 2005.

At the end of September 2004, IEB organized mini-fairs and school visits for students of private schools in several mid-size cities in India, with participation of the University of Winnipeg and the University of Manitoba. Brandon University and Red River College have agreed to join promotional events planned for 2005/06 in India and the United Arab Emirates.

Capacity Building
IEB efforts to build provincial capacity for international education initiatives continue. Several presentations and meetings have taken place with Manitoba educational representatives in an effort to provide information on how to enter the international education field. Work on expanding institutional capacity proceeds through professional development sessions designed to develop expertise in the field. Finally, the International Education Incentive Loan Fund will be reviewed in 2005 as only one institution, to date, has taken advantage of the program.

Protocol Office
The mandate of the Protocol Office is four-fold: diplomatic, official and ceremonial events and missions, general protocol support and the Order of Manitoba.

The office co-ordinates and organizes all programs (and where necessary provides on-ground logistic support) for virtually all visiting senior diplomatic missions to Manitoba such as High Commissioners, Ambassadors, senior foreign political ministers and Consul Generals. The branch is also a lead support and government conduit for the 27 members of Manitoba's consular corps.

Principal Activities in 2004/2005

The Protocol Office played a lead role in co-ordinating, planning and delivering virtually all major official and ceremonial events hosted by the Premier of Manitoba. As well, it also undertook an ever increasing support and organizational role with respect to foreign trade missions lead by the Premier. On a less frequent basis – this office took a lead role with respect to such high profile visits to Manitoba from members of The Royal Family, The Governor General, foreign heads of state, other provincial premiers, United States governors, etc.

In addition, the Protocol Office continued to offer on-going protocol support to members of Cabinet and the Legislative Assembly and to the public at large.

The office also served as the secretariat for the Order of Manitoba – the Province's highest honour. As Secretary to the Order of Manitoba, the Chief of Protocol, assumed responsibility for co-ordinating, planning, and delivering all aspects of the Order including soliciting nominations on a year-round basis and playing a key role in organizing the annual ceremony.

Highlights in 2004/2005

- Received 13 diplomatic visits to Winnipeg representing the nations of Finland, Greece, Cyprus, China, Slovenia, Hungary, Iceland, Japan, India, Ukraine, France, Mexico and Algeria.
- Led two ambassadorial missions from Russia and the United States to Churchill.
- Accepted the Premier of South Australia and senior government officials.
- Organized and assisted in the delivery of special ceremonial events such as the Throne Speech, the investiture of the Lieutenant Governor, the Order of Manitoba, the Order of the Buffalo Hunt (2), RCMP change of command and two citizenship courts.
- Assisted in the organization and implementation of several major conferences including the Governor General's Leadership Conference; Primary Health Conference; World Meat Congress; UN Disabled People's International Conference; Business of Science Symposium, and the Aboriginal Economic Summit.
- Assisted in the program development, planning and delivery of trade missions led by the Premiers of Manitoba and New Brunswick to Texas and California.
- Planned and hosted an educational evening seminar for the Manitoba Consular Corps with respect to duties, functions, legal obligations, expectations, etc.
- Provided key organizational and delivery roles with respect to such events as the 60th Anniversary of D-Day, RCMP Musical Ride, UN Peacekeepers Cairn Unveiling on Memorial Blvd; Macarthur Foundation Dinner; 9/11 Ceremony (International Peace Garden); United Nations Day and the Midwestern Legislative Conference Signing Ceremony.
- Arranged to have Books of Condolence available for public signing for the Asian Tsunami disaster and the Beslan School Massacre.

7(a) Federal, Provincial and International Relations

Expenditures by Sub-appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over/(Under)	Expl. No.
Total Salaries	1,075.5	12.00	980.8	94.7	
Total Other Expenditures	533.7	0.00	661.5	(127.8)	
TOTAL	1,609.2	12.00	1,642.3	(33.1)	

Manitoba Trade

Manitoba Trade and Investment supports Manitoba businesses to become export-capable and to diversify in international markets by delivering targeted programs and services. It also promotes Manitoba investment opportunities to increase inward investment and employment. This section was created in 2003/04 with resources transferred from four areas of other departments.

The Policy, Planning and Co-ordination Branch of the Department of Industry, Economic Development and Mines provides analytical, advisory and research support services to the Deputy Minister of Federal-Provincial and International Relations and Trade. This includes undertaking analysis of policy issues, including internal trade and trade policy.

Principal Activities in 2004/2005

Manitoba Trade and Investment provides a variety of trade-related services, summarized in the following chart.

Summary of Services

General Information	Skills Development	Export Counselling	Market Entry Support	In-market Assistance
Toll-free export information service	Export preparation guide	Export-readiness assessment	Market information and informational sessions	Market prospects
Website	Export skills training	Market readiness assessment	Trade fairs/shows	Key contacts search
Newsletters	Preparation for U.S. market	Export plan development	Trade missions	Visit information
General seminars	Preparation for other markets	Export plan implementation	Partner identification	Direct contacts
			Market intelligence	Local company information
			Advocacy	Troubleshooting
			Reverse trade shows, incoming missions	Government and business liaison
			Trade show/promotional material/website support (TAP)	
			Identification of country opportunities for International Projects	

In May 2004, Manitoba Trade and Investment launched the Exporter Development Initiative (EDI). Core objectives of the EDI are to increase the number of Manitoba companies active in international markets and to assist in the diversification of their export markets, resulting in an overall increase in the value of Manitoba's exports. Through collaboration with Manitoba's trade partners and an industry outreach program, strategic trade plans are being developed for priority sectors. The sector trade plans are, in part, identifying priority markets where Manitoba companies have significant interest and opportunities. Along with increased support for domestic activities, including trade shows, seminars, incoming buyers and match-making events, an increased emphasis has been placed on enhanced market intelligence and focused business missions to countries identified as having the highest potential for Manitoba companies.

From EDI's inception in May 2004 to the end of the fiscal year, the short-term goals were aggressively pursued. Short-term goals identified for EDI included industry outreach activities, enhanced co-ordination with trade partners and new programming targeting new and diversifying exporters. In the first nine months of EDI:

- Manitoba Trade consultants have been in direct contact with over 100 Manitoba companies,
- Manitoba Trade employees entered into discussion with trade partners to identify areas where organizations can work together to enhance services and improve results,
- The Trade Assistance Program was expanded to include funding focused on website design/development and the design of new marketing material, and
- "Border buster" and "match-making" activities were supported to assist Manitoba firms to grow and expand their exports.

The Exporter Development Initiative has exceeded its target of increased exports, tracking over 100 companies with more than $5 million in sales to new markets.

Agriculture Marketing

Agriculture and food are very important to the Manitoba economy, representing $3.4 billion of Manitoba's total exports in 2004. The Agriculture section provides international marketing assistance to buyers and sellers of Manitoba's agriculture and food products. Through the co-ordination of trade activities, including the provision of logistical support and network contacts, the Agriculture Section employs a comprehensive approach to export market development. The Agriculture Section actively participates in federal/provincial core team trade planning for the priority markets of the United States, European Union, Mexico, Japan and China.

Several significant projects were undertaken through the year, including:

- Three outgoing missions to Mexico punctuated our efforts in the Mexican market. These missions included participation in the first-ever Canada-Mexico Bean Congress, presentations in conjunction with the Manitoba Food Development Centre at a Food Safety conference in Monterrey and accompanying four companies to Alimentaria Mexico 2004.
- In the Asian markets, the Honourable Rosann Wowchuk led a multi-sector mission to China in November 2004, which included a strong agricultural component. The Agriculture Section assisted with the planning of the Minister's mission to Japan, where she was a guest of the Japanese government.
- The Agriculture Section participated in the World Dairy Expo in Wisconsin with producers from the Manitoba Holstein Association and Manitoba Forage Council members.
- It also organized, or participated in, numerous incoming missions related to either trade or investment in many sectors of the agriculture and food industry.

Asia and Europe

Asia-Pacific – Manitoba exports to the Asia-Pacific region were $1,493.4 million in 2004, an increase of $426.0 million from the previous year. The largest increase of exports within the region was to China at $300.1 million. For the region as a whole, exports of wheat increased from $263.8 million to $452.1 million, and nickel from $275.3 million to $407.2 million. Japan, China/Hong Kong, and Australia are Manitoba's primary target markets within the region.

Manitoba's exports to the Pacific Rim accounted for 15.2% of total exports. Within the region, 83.3% of exports went to Manitoba's four largest regional markets – China/Hong Kong, Japan, Australia and South Korea.

The ASEAN (Association of Southeast Asian Nations) markets constituted the second-largest concentration of exports in the region at 11.9%. Manitoba exports to ASEAN totalled $178.0 million in 2004, an increase of 20.9% from 2003. Leading exports were wheat at $122.8 million and unwrought nickel at $31.7 million. The other markets in the Pacific Rim accounted for 4.7% of Manitoba exports region or $70.6 million in exports.

Australia – Australia is now Manitoba's ninth-largest export market with exports of $61.4 million. The bulk of Manitoba's exports to Australia were value-added goods.

China/Hong Kong – As Manitoba's second-largest regional export market, exports to China/Hong Kong of $622.7 million in 2004 reflected an increase of 123%, compared to $279.7 million in 2003. The increase in exports was across all sectors, with nickel and wheat leading.

In fiscal 2004/05, Manitoba Trade and Investment participated in the following:

- Hong Kong ICT Expo in April 2004 with eight Manitoba companies participating.
- business mission to China in November 2004, led by the Honourable Rosann Wowchuk, to Shanghai, Hefei, Beijing, Linyi, Guangzhou, and Hong Kong. Thirteen Manitoba companies and organizations participated.
- eight visits from incoming government and business representatives from China, who met with Manitoba firms and departments to initiate trade and investment opportunities.
- incoming visit by Manitoba Trade and Investment's foreign trade representative in China, who met and consulted with 60 firms/organizations in September 2004.
- Premier's mission to Alsace, France in March 2005 furthered collaboration with the Bas-Rhin region under a 2002 memorandum of understanding (MOU) on co-operation as well as addressed the impact of climate change and the economic benefits of developing cleaner and more efficient energy sources. The mission also supported a Franco-Manitoban delegation led by the Economic Development Council for Manitoba Bilingual Municipalities (CDEM), to promote tourism, business, trade and immigration opportunities.

In January 2005, the Honourable Scott Smith led a Manitoba business delegation's participation in a Canada Trade Mission to China/Hong Kong. Four Manitoba companies directly participated and three additional companies were present for the China portion of the mission. An Ancillary Memorandum of Understanding was signed with the Province of Anhui to promote trade, investment and information exchanges.

Manitoba is working closely with potential investment partners in China to develop two value-added opportunities in Manitoba.

Japan – Japan was Manitoba's third-largest market in 2004, moving from second-largest in 2003. Exports totalled $510.9 million in 2004, an increase of 2.3% from 2003, with agricultural products predominant. Of Manitoba's top 20 exports to Japan, the largest growth was seen in rye exports which increased 14,371% to $10.4 million. The second-largest dollar-value growth product was preserved vegetables which increased $7.2 million or 592%, year-on-year.

In fiscal 2004/05, Manitoba Trade and Investment participated in or organized:

- a hemp buyer's visit to Manitoba in September 2004 to explore opportunities with respect to Japan
- a tour of Manitoba's research capabilities in February 2005 by the Science and Technology Officer from the Canadian Embassy in Tokyo

Philippines – The Philippines was Manitoba's eleventh-largest export market with exports of $49.0 million, an increase of 9.8% from 2003 exports of $44.5 million. Manitoba's largest export to this market was wheat/meslin at $45.3 million. In 2004/05, Manitoba Trade and Investment:

- supported one incoming mission from the Philippines in November 2004
- participated in one *Doing Business in the Philippines* Seminar in November 2004

Europe – Manitoba exports to the European Union were $397.2 million in 2004, a decrease of $9.7 million or 2.4% from the previous year. Shipments decreased in wheat from $102.6 million to $96 million, linseed from $71 million to $53.7 million, and unwrought nickel from $31.4 million to $22.1 million. The largest increases were in shipments of vegetables (leguminous dried) from $51.5 million to $61.7 million, tractors from $1.5

million to $11.3 million, chemicals from $ nil to $7.2 million, and tanned or dressed fur skins from $4.3 million to $8 million.

In 2004, the top five Manitoba export markets in Europe were Belgium, the United Kingdom, Spain, Italy and Germany, followed by The Netherlands and France in sixth and seventh place. Within this group, exports decreased from 2003 for Belgium from $115 million to $83 million, the United Kingdom from $70 million to $66.8 million, and France from $26.4 million to $20.6 million. The countries that experienced the greatest growth were: Spain from $53.7 million to $65.4 million, Germany from $25 million to $35.3 million, The Netherlands from $13.3 million to $21.7 million, and Italy from $40.7 million to $46.1 million.

The markets that experienced growth in 2004 were due to specific product categories. Shipments of tractors to Germany increased from $ nil to $11 million. Shipments of vegetables (leguminous dried) to Spain increased from $27.9 million to $44.4 million. Shipments of wheat to Italy increased from $27 million to $32.4 million, and shipments of wheat and linseed increased to The Netherlands from $1.1 million to $6 million.

In fiscal 2004/05, Manitoba Trade and Investment participated in or organized:

- an incoming visit in January 2005 of Manitoba Trade and Investment's foreign representative in Europe, who met with 28 companies and organizations to discuss and recommend approaches to address their opportunities and challenges in various European markets
- 14 marketing studies to identify marketing and distribution partners
- a delegation of six agri-food companies to SIAL in October 2004, the second-largest European food show, in Paris, France
- a delegation of 11 companies and organizations participated in MIDEM in January 2005, the largest audio-recording industry event in France
- a delegation of three companies participated in BIOFACH, the largest world organic trade fair, in Nuremberg, Germany, in February 2005
- various meetings through the year with European trade officials and European-based Canadian trade officials

Mexico and Emerging Markets

Mexico was Manitoba's fourth-largest export destination in 2004 (after the U.S., China/Hong Kong and Japan) with exports totaling $282.1 million, up 37.9% from 2003. Top Manitoba exports to Mexico included oilseeds (rape or colza seeds), wheat, pork and other meat products, malt and vegetables.

In fiscal 2004/05, Manitoba Trade and Investment organized seven incoming missions from Mexico, resulting in more than 60 meetings with Manitoba's business community. Among the most prominent activities were:

- an outgoing business delegation to three Mexican states promoting new technology and consulting engineering and trade services resulting in $1.3 million in potential contracts
- attendance at the "Partnership for Prosperity – P4P 2004" conference between Mexico and the United States. Manitoba was the only Canadian province present and was able to make key contacts and presentations to Mexican government and senior business leaders.
- incoming mission by President Vicente Fox to Canada. Manitoba Trade and Investment participated in business seminars and presentations and promoted Manitoba's ICT sector and general trade activities targeting Mexico's largest companies active in the U.S. Several prominent Manitoba business leaders and companies participated in bilateral meetings in Ottawa.
- an outgoing business mission in June 2004 to three Mexican states with six Manitoba companies. Approximate direct sales resulting from this mission amounted to $200,000 in OEM equipment and technology. Four business agents were appointed to represent Manitoba companies in the market.
- an outgoing multi-sectoral business mission in August 2004 to two Mexican states in support of six Manitoba companies. Approximate direct sales resulting from this mission amounted to $350,000 and three sales representatives were appointed in the market.
- hosting a series of three video-conferences between Manitoba and Jalisco's business community to establish links between buyers of alcoholic beverages; handcrafts and ICT (information communications technology). More than 45 business delegates attended the conference.

South America – In fiscal 2004/05, Manitoba Trade and Investment organized the following activities:

- a Samples Trade Show and business mission to Santiago, Chile, in April 2003, in which nine Manitoba companies were introduced to the Chilean market
- continued negotiations and contact with eight companies to promote distribution, representation and sales in Chile
- assisting two companies in developing formal agreements with Chilean business partners and five firms to make their first sales to Chile
- a business mission to Arequipa, Peru, to assess and prepare for a mining mission to the international EXTEMIN trade show in September 2005, and to introduce Manitoba companies to the chambers and Canadian Consulate

Caribbean – Manitoba Trade and Investment organized a business mission in November 2004 with four Manitoba companies, to follow up on an International Projects Initiative valued at $1.5 million.

Middle East and India – Manitoba Trade and Investment continues to focus on the Middle East region and has increased its efforts in India. Manitoba exports to United Arab Emirates totalled $18.9 million in 2004, compared to $16.3 million in 2003, with a shift from commodities to more value-added products. For example, Manitoba exported $2.9 million in pharmaceuticals to Iran Total Manitoba exports to the Middle East in 2004 were valued at $98.5 million.

Other activities which Manitoba Trade and Investment organized or participated in included:

- an outgoing business mission in November 2004 to India. This was an advance trip in preparation for a Premier-led mission planned for 2006.
- an incoming Iranian mission in November 2004 with a focus on agricultural machinery, pharmaceuticals and fresh-water fish
- an incoming Iranian mission in June 2004 which resulted in potential sales of $1.6 million
- an incoming business visitor from Libya in June 2004 with a focus on oil, gas and pharmaceuticals

Other – In March 2005, a group of eight journalists from Southeast Asia visited Manitoba to learn about our environmental industry companies. Manitoba Trade and Investment organized meetings and facility tours with 10 companies, resulting in positive articles in their respective publications and showcasing Manitoba companies.

South Africa – In 2004/05, Manitoba Trade and Investment received four incoming business missions to explore export opportunities for Manitoba companies, particularly in the North West Province of South Africa. A trade mission of six companies to the Invest North West Conference resulted in the signing of two Agreements of Co-operation between Manitoba and the North West Province. Other activities supported the exchange of information on cultural, agricultural and governance matters.

U.S. and Trade Operations

The U.S. continued to be Manitoba's largest export market with 72.7% of its merchandise exports destined for the United States. In addition, 80% of merchandise imports received into Manitoba were from the U.S.

In fiscal 2004/05, Manitoba Trade and Investment participated in nine incoming and outgoing trade missions and group trade shows, including a multi-sectoral mission to Texas in January 2005 led by Premier Gary Doer. In total, over 150 companies both from within and outside Manitoba were involved in these events. Manitoba companies projected over $18 million of sales as a result.

The Texas mission included a total of 18 representatives of business organizations and private sector companies from Manitoba. The overall objective of the mission was to raise the profile of Manitoba in Texas. The Premier achieved this by promoting Manitoba as a destination for investment to business leaders in both Houston and San Antonio in several meetings with government, including the Governor of Texas, and private sector representatives. A key outcome of the mission was the signing of several business deals between Texan and Manitoba companies.

The Manitoba mission was the continuation of Manitoba's focus on Texas since signing a joint agreement with Texas in 2002 to promote economic development, trade and tourism. Since signing the agreement, Manitoba Trade and Investment has led two food processing-related missions to Texas and hosted an incoming Texas business mission in September 2003.

Specific events which Manitoba Trade and Investment organized in 2004/05 involved incoming and outgoing initiatives for the U.S. market including:

- Western Canada Farm Progress Show, Regina, SK, June 2004, involving over 100 delegates from the U.S.
- A Group Exhibit in the Texas Restaurant Association Annual Exhibition, Houston, TX, June 2004, five Manitoba companies exhibiting
- A Group Exhibit in Husker Harvest Days, Grand Island, NE, September 2004, eight Manitoba companies exhibiting
- A Group Exhibit in the Private Label Manufacturers Association Show, Chicago, IL, November 2004, six Manitoba companies exhibiting
- Advanced Manufacturing Showcase, Winnipeg, MB, February 2004, involving a total of 23 U.S. delegates and 44 private sector companies

The Trade Assistance Program provided cost-shared assistance to encourage Manitoba companies to exhibit in recognized trade events and develop new promotional material and websites. In 2004/05, the Trade Assistance Program helped 88 Manitoba companies.

Priority sectors included food and beverage processing, life sciences, building products, original equipment manufacturers and sub-components/agricultural equipment, knowledge-based industries, apparel and exportable services.

Canada-Manitoba Memorandum of Understanding on International Business Development

Economic development is a co-operative effort, and Manitoba Trade and Investment encourages and facilitates co-operation with other provincial, federal and civic economic development agencies. A key example is the high level of co-operation between the Province and the federal government arising from a Memorandum of Understanding (MOU) for International Business Development. In 2005, the MOU will be renewed for a five-year term.

Foreign Trade Representatives

In 2004/05, Manitoba Trade and Investment retained four part-time foreign trade representatives in target markets. The representatives, located in Chile, China, Europe and Mexico, were responsible for identifying export opportunities for Manitoba companies in their respective target market. In 2004/05, the foreign trade representatives were involved with $4.0 million in sales, and the identification of an additional $6.1 million in potential sales.

7(b) Manitoba Trade

Expenditures by Sub-appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over/(Under)	Expl. No.
Total Salaries	1,264.9	19.00	1,313.8	(48.9)	
Total Other Expenditures	1,503.5	0.00	1,740.1	(236.6)	
Grants	129.2	0.00	170.0	(40.8)	
Less: Recoverable from Urban and Rural Economic Development Initiatives	(1,000.0)	0.00	(1,000.0)	0.0	
TOTAL	1,897.6	19.00	2,223.9	(326.3)	

Manitoba Office in Ottawa

The overall objective of the Ottawa Office is to assist the Manitoba government and its agencies, Manitoba firms, communities, organizations and individuals in dealing with the federal authorities and in developing business. Critical activities in providing such assistance include the gathering and dissemination of information; representation of Manitoba's interests, and monitoring of federal actions and intentions on a range of issues including procurement.

Manitoba continues to be particularly susceptible to changes in federal transfers to the Provinces, which account for almost 35% of Manitoba's yearly revenues. Transfers to individuals add to the importance of the federal government to Manitoba. Public Works and Government Services Canada bought approximately $8 billion during 2003 in Canada, which represented 65% of total departmental purchases. The Department of National Defence's capital and acquisition spending is approximately $5 billion each year. The federal government is the second largest employer in Manitoba after the provincial government. The presence of numerous other provincial/territorial offices in Ottawa demonstrates that we are not alone in the belief that representation in Ottawa is important in furthering provincial interests. In fact, the Manitoba Office, established in January, 1990, recently entered into a co-location agreement with the province of New Brunswick.

Principal Activities in 2004/2005

Information Gathering/Dissemination: The Office maintains regular contact with a network of Ottawa-based bureaucrats, lobbyists, political staff and business people in an effort to keep abreast of any developments emanating from Ottawa which effect or potentially effect, interests in Manitoba. Examples of results from this activity include provision of a Media Review, Federal/Provincial Balance Sheets, analysis of Estimates of key federal departments and monitoring legislation and reporting on hearings of parliamentary committees.

Representation/Lobbying: The Office acts as Manitoba's continuing representative in Ottawa and our presence is felt at all levels of the federal government. It provides logistical arrangements for Manitoba lobby efforts and trade missions. Manitoba Office staff also provide a useful and money saving function by attending, on behalf of Manitoba government departments, various federal/provincial meetings where the agenda or duration does not justify specialists travelling from Manitoba, but where Manitoba's continued involvement is considered necessary. During fiscal year 2003/04, the Office attended over 15 such meetings. The Office also accompanies visiting Manitoba companies on calls to federal officials and provides office facilities where required to visiting Manitobans.

Procurement: While the procurement function involves some lobbying, the primary focus is on monitoring the progress and potential of specific purchases by the federal government. Activities include contact and liaison with federal officials, potential prime contractors, first tier subcontractors, Ottawa-based lobbyists, and most importantly, Manitoba industry. The capabilities of Manitoba suppliers are communicated to all parties involved in the procurement and the general direction for the contract is ascertained and communicated to relevant companies and appropriate Manitoba government officials. Specific complaints are also handled and in some cases resolved to the satisfaction of the Manitoba company. Even when not fully successful, such problems are less likely to re-occur after such consultation or intervention.

7(c) Manitoba Office in Ottawa

Expenditures by Sub-appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over/(Under)	Expl. No.
Total Salaries	127.8	2.00	127.6	0.2	
Total Other Expenditures	51.7	0.00	69.7	(18.0)	
TOTAL	179.5	2.00	197.3	(17.8)	

SECTION III
AMORTIZATION AND OTHER COSTS RELATED TO CAPITAL ASSETS

Amortization and Other Costs Related to Capital Assets

This appropriation was established to provide for the amortization of the Department of Intergovernmental Affairs and Trade capital assets.

13-8 Amortization and Other Costs Related to Capital Assets

Expenditures by Sub-appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over/(Under)	Expl. No.
Costs Related to Capital Assets	193.8	0.00	200.7	(6.9)	

SECTION IV
EMERGENCY MEASURES ORGANIZATION

Formerly

Service Heading 10.5
Emergency Measures Organization
Industry, Economic Development and Mines

Emergency Measures Organization

Overview

Manitoba Emergency Measures Organization works closely with all levels of government, the private sector, volunteer agencies and other non-government organizations to promote and co-ordinate emergency preparedness, emergency response and disaster recovery with the goals of preventing loss of life and minimizing damage to property and the environment. Manitoba EMO is responsible for the administration and delivery of the Disaster Financial Assistance program and compensation programs required under *The Red River Floodway Act*.

Emergency Measures Organization

Manitoba Emergency Measures Organization (EMO) is committed to:

- Fulfilling its statutory requirements, as established by *The Emergency Measures Act* and *The Emergency 911 Public Safety Answering Point Act*, as the provincial government's co-ordinating agency for emergency management;
- Establishing and building the provincial government's emergency management capacity, and to participating in the management of emergencies with multi-agency dimensions;
- Supporting post-disaster recovery, including the provision of Disaster Financial Assistance for certain eligible losses incurred by private individuals, small businesses, certain not-for-profit organizations, and the public sector;
- Fostering a climate of co-operation among all sectors involved with the protection of public safety and security in Manitoba; and
- The continuous improvement of all aspects of emergency management in Manitoba.

Principal Activities in 2004/2005

Emergency Response and Disaster Financial Assistance
Two Disaster Financial Assistance programs were established in the last year to provide support to individuals and communities recovering from disasters. The 2004 Spring Flood program had 484 applications for assistance, with total expenditures projected at approximately $4 million; $2.4 million is expected to be recovered from the federal government via cost sharing arrangements. A second program was established to provide assistance for trapper's cabins destroyed in the 2003 forest fires. Thirty applications were received and the cost of the program is expected to be $400,000, which is below the threshold for cost sharing with the federal government.

With information from the Department of Water Stewardship indicating a strong possibility of severe spring flooding in 2005, Manitoba EMO convened a number of departments and worked to ensure an effective framework for providing provincial assistance. Favourable weather resulted in less flooding than expected, but public sector damages were reported by a number of municipalities northwest of Brandon. Manitoba EMO is working with these municipalities to determine the scope and nature of damages, which will determine the applicability of Disaster Financial Assistance.

Council of the Federation

Following their January 2004 meeting, the Council of the Federation requested a discussion paper on improving emergency management. Manitoba EMO drafted a paper that was unanimously endorsed by all provinces and territories at the staff level and Ministerial level, and was presented to the Council in July 2004. The Council reviewed the paper and supported the four priorities recommended as immediate steps to improve emergency management in Canada. The four priorities raised by the Premiers are: a joint FPT review of strategic gaps, a renewed federal commitment to emergency management training, completion of the Disaster Financial Assistance renegotiation, and the development of a Canada-wide system for emergency public alerting. Direction was given for the Ministers responsible for Emergency Management to work with the federal government to advance these issues. Premiers Doer and Hamm were assigned joint responsibility for the issue, and will report back to the Council at their next meeting.

Federal/Provincial/Territorial Policy Discussions

A Federal/Provincial/Territorial meeting of Ministers responsible for Emergency Management was held in Ottawa in January 2004. The Ministers endorsed an eight point Action Plan to address matters of mutual concern, including those raised by the Council of the Federation. Working Groups, co-chaired by a federal and a provincial/territorial representative will be formed to address each item.

Renegotiations to Revise the Disaster Financial Assistance Arrangements

The federal government requested provincial/territorial input into revisions of the Disaster Financial Assistance Arrangements, which sets the eligibility for Disaster Financial Assistance programs and cost-sharing. Since these discussions began in 1999, Manitoba EMO has taken a lead role in developing provincial/territorial consensus on a number of areas, including maintenance of the cost-sharing formula and modernization in other areas. Consultation with municipal partners has been integral in developing Manitoba's position. With discussions having concluded at the staff level, there are strong indications that an updated DFAA will be introduced before the end of this year that is favourable to Manitoba's position.

Proclamation of *The Emergency 911 Public Safety Answering Point Act*

The Emergency 911 Public Safety Answering Point Act establishes the requirements for 911 call answering services in Manitoba. After receiving royal assent in 1998, the *Act* remained unproclaimed pending completion of regulations. Following discussions with stakeholders, regulations were developed to reflect best practices and current industry standards, and these regulations, along with the *Act*, came into force in May 2005.

Municipal Emergency Planning

The Security Management Act in 2001 amended *The Emergency Measures Act* and created strengthened requirements for municipal emergency planning. In consultation with the Association of Manitoba Municipalities, guidelines were developed to help municipalities address the need for comprehensive emergency planning in their community. Over 75 municipalities have met these requirements, and the final deadline for completing plans is June 2005. Municipalities have embraced the importance of these requirements; when completed, Manitoba will have the strongest network of municipal emergency planning in the country.

Provincial Risk Assessment and Hazard Analysis

The Security Subcommittee of Cabinet directed Manitoba EMO in 2001 to undertake a comprehensive, province-wide risk assessment and hazard analysis. In partnership with the Office of the Fire Commissioner, a community-by-community analysis of risks was initiated. This is the first time such an exercise has been done in over 30 years, and the results of this are now being shared with municipal governments and emergency response agencies. In addition to providing invaluable data for municipal emergency plans, this information is being used to evaluate risk on a regional and provincial basis.

DFA for interface fires

While certain mitigation costs have been recognized by the federal government under DFA, there has not been recognition for the costs of fighting forest fires as they interface with communities. Costs of this kind were incurred in 2003 in northern Manitoba, and Manitoba EMO was able to successfully argue that mitigation of this type should be considered eligible for Disaster Financial Assistance. This is a significant policy development that has application in all provinces and territories.

Public Education and Outreach
Managing an emergency is initially an individual responsibility; people are expected to take steps to protect themselves, and to then request the assistance of government when overwhelmed. Citizens themselves are our most important partner in emergency management, and public education is among Manitoba EMO's ongoing priorities. Among these initiatives was a partnership with Manitoba EMO, the Winnipeg Humane Society and the Manitoba Veterinary Medical Association to raise awareness on emergency preparedness considerations for pets, the first partnership of its kind in Canada.

Emergency Management Training
Manitoba EMO continued to provide emergency management training at no cost to municipal and other emergency response officials. 935 individuals received training in the last year, and Manitoba EMO's training offering was extended by offering a disaster recovery course to municipal administrators.

1997 DFA program
With the closure of outstanding claims and the conclusion of the audit process, the 1997 DFA program for 'The Flood of the Century' was closed in 2005. The $226 million program was the largest DFA program in Manitoba's history.

Emergency Measures Organization

Expenditures by Sub-appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over/(Under)	Expl. No.
Total Salaries	1,074.5	19.00	1,126.7	(52.2)	
Total Other Expenditures	567.8	0.00	558.0	9.8	
TOTAL	1,642.3	19.00	1,684.7	(42.4)	

SECTION V
FINANCIAL INFORMATION SECTION

Reconciliation Statement

Details	2004/05 Estimates $
Printed Estimates of Expenditure 2004/05 – Intergovernmental Affairs	110,627.5
Transfer of functions from:	
- Industry, Economic Development and Mines	1,684.7
Main Estimates Authority Transferred from:	
- Enabling Appropriations	3,159.4
Estimates of Expenditure 2003/04 (Adjusted)	115,471.6

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS AND TRADE

EXPENDITURE SUMMARY

For the fiscal year ended March 31, 2005 with comparative figures for the previous fiscal year.

SECTION I – INTERGOVERNMENTAL AFFAIRS

ESTIMATE 2004/05		APPROPRIATION	ACTUAL 2004/05	ACTUAL 2003/04	INCREASE (DECREASE)	EXPLANATION NUMBER
	13-1	**ADMINISTRATION AND FINANCE**				
$29.4	(a)	Minister's Salary	20.7	18.4	2.3	
	(b)	Executive Support				
444.8		1 Salaries	470.3	459.2	11.1	
80.1		2 Other Expenditures	78.7	79.9	(1.2)	
	(c)	Brandon Office				
166.7		1 Salaries	137.7	103.3	34.4	
53.1		2 Other Expenditures	51.6	47.7	3.9	
	(d)	Human Resource Management				
138.4		1 Salaries	144.2	127.4	16.8	
26.3		2 Other Expenditures	26.3	27.2	(0.9)	
	(e)	Financial and Administrative Services				
467.1		1 Salaries	472.2	421.7	50.5	
185.7		2 Other Expenditures	175.4	171.0	4.4	
	(f)	Municipal Board				
788.4		1 Salaries	555.4	606.3	(50.9)	
243.6		2 Other Expenditures	217.5	228.5	(11.0)	
2,623.6		TOTAL 13-1	2,350.0	2,290.6	59.4	

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS AND TRADE

EXPENDITURE SUMMARY

For the fiscal year ended March 31, 2005 with comparative figures for the previous fiscal year.

ESTIMATE 2004/05		APPROPRIATION	ACTUAL 2004/05	ACTUAL 2003/04	INCREASE (DECREASE)	EXPLANATION NUMBER
	13-2	**COMMUNITY AND LAND USE PLANNING SERVICES**				
	(a)	Executive Administration				
153.4		1 Salaries	159.8	290.9	(131.1)	
29.5		2 Other Expenditures	24.7	29.4	(4.7)	
	(b)	Provincial Planning Services				
337.8		1 Salaries	348.0	489.8	(141.8)	
204.7		2 Other Expenditures	115.8	211.4	(95.6)	
(171.1)		3 Less: Recoverable from Urban and Rural Economic Development Initiatives	(117.6)	(206.3)	88.7	
	(c)	Community Planning Services				
2,996.8		1 Salaries	2,753.3	2,698.1	55.2	
1,033.3		2 Other Expenditures	749.7	796.9	(47.2)	
(556.4)		3 Less: Recoverable from Rural Economic Development Initiatives	(278.1)	(303.9)	25.8	
4,028.0		TOTAL 13-2	3,755.6	4,006.3	(250.7)	

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS AND TRADE

EXPENDITURE SUMMARY

For the fiscal year ended March 31, 2005 with comparative figures for the previous fiscal year.

ESTIMATE 2004/05		APPROPRIATION	ACTUAL 2004/05	ACTUAL 2003/04	INCREASE (DECREASE)	EXPLANATION NUMBER
	13-3	**PROVINCIAL – MUNICIPAL SUPPORT SERVICES**				
	(a)	Executive Administration				
161.6		1 Salaries	151.1	155.4	(4.3)	
29.5		2 Other Expenditures	18.1	29.3	(11.2)	
	(b)	Assessment Services				
6,815.4		1 Salaries	6,788.2	6,288.8	499.4	
1,638.0		2 Other Expenditures	1,464.0	1,435.9	28.1	
(2,113.3)		3 Less: Recoverable from Education, Training and Youth	(2,113.3)	(2,008.0)	(105.3)	
	(c)	Municipal Finance and Advisory Services				
1,128.3		1 Salaries	996.3	982.7	13.6	
355.3		2 Other Expenditures	424.4	414.6	9.8	
(105.0)		3 Less: Recoverable from Urban Development Initiatives	(105.0)	(109.7)	4.7	
	(d)	Information Systems				
929.3		1 Salaries	953.4	871.0	82.4	
1,373.1		2 Other Expenditures	1,213.3	1,391.9	(178.6)	
(449.2)		3 Less: Recoverable from Education, Training and Youth	(449.2)	(412.6)	(36.6)	
9,763.0		TOTAL 13-3	9,341.3	9,039.3	302.0	

EXPENDITURE SUMMARY

For the fiscal year ended March 31, 2005 with comparative figures for the previous fiscal year.

ESTIMATE 2004/05		APPROPRIATION	ACTUAL 2004/05	ACTUAL 2003/04	INCREASE (DECREASE)	EXPLANATION NUMBER
	13-4	**FINANCIAL ASSISTANCE TO MUNICIPALITIES**				
	(a)	Financial Assistance for the City of Winnipeg				
		(1) Operating Assistance to the City of Winnipeg				
19,887.5		Unconditional Current Programs Grant	19,887.5	19,887.5	0.0	
16,854.0		Unconditional Transit Operating Grant	16,854.0	16,854.0	0.0	
8,622.1		General Support Grant	8,577.6	8,290.5	287.1	
900.0		Dutch Elm Disease Control Program Grant	900.0	900.0	0.0	
1,000.0		Strategic Initiatives	1,709.0	1,823.0	(114.0)	
6,600.0		Unconditional Grant – Urban Development	8,820.0	6,400.0	2,420.0	1
(23,650.0)		Less: Adjustment to reflect program transfers from the City of Winnipeg	(23,650.0)	(23,650.0)	0.0	
		(2) Capital Assistance				
19,850.0		(a) Capital Financial Assistance to the City of Winnipeg	19,014.1	18,632.3	381.8	

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS AND TRADE

EXPENDITURE SUMMARY

For the fiscal year ended March 31, 2005 with comparative figures for the previous fiscal year.

ESTIMATE 2004/05		APPROPRIATION	ACTUAL 2004/05	ACTUAL 2003/04	INCREASE (DECREASE)	EXPLANATION NUMBER
	(b)	Financial Assistance to Other Municipalities				
		(1)Operating Assistance				
1,683.7		(a) Transit Grants	1,644.7	1,637.0	7.7	
1,184.5		(b) General Support Grants	1,209.3	1,125.7	83.6	
6,990.0		(c) Unconditional Grants - Rural Community Development	8,700.0	6,220.0	2,480.0	1
		(2)Capital Assistance				
130.0		(a) Transit Bus Purchases	100.0	110.0	(10.0)	
	(c)	Grants to Municipalities in Lieu of Taxes				
14,960.8		(1)Grants	14,421.7	14,335.3	86.3	
(14,749.2)		(2)Less: Recoverable from Other appropriations	(14,749.2)	(14,417.7)	(331.5)	
(2,055.0)	(d)	Less: Recoverable from Urban and Rural Economic Development Initiatives	(1,981.0)	(1,012.8)	(968.2)	2
58,208.4		TOTAL 13-4	61,457.7	57,134.9	4,322.8	

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS AND TRADE

EXPENDITURE SUMMARY

For the fiscal year ended March 31, 2005 with comparative figures for the previous fiscal year.

ESTIMATE 2004/05		APPROPRIATION	ACTUAL 2004/05	ACTUAL 2003/04	INCREASE (DECREASE)	EXPLANATION NUMBER
	13-5	**CANADA – MANITOBA AGREEMENTS**				
13,497.2	(a)	Infrastructure Agreement	11,059.9	16,050.0	(4,990.1)	3
0.0	(b)	Economic Development Partnership Agreement	0.0	1,497.0	(1,497.0)	4
1,000.0	(c)	Economic Partnership Agreement	1,588.4	0.0	1,588.4	5
1,000.0	(d)	Winnipeg Development Agreement	97.6	0.0	97.6	5
15,497.2		TOTAL 13-5	12,745.9	17,547.0	(4,801.1)	
	13-6	**URBAN STRATEGIC INITIATIVES**				
	(a)	Neighbourhoods Alive!				
189.7		(1) Salaries and Employee Benefits	173.8	187.7	(13.9)	
91.5		(2) Other Expenditures	62.8	69.0	(6.2)	
3,392.1		(3) Neighbourhood Support	3,112.8	3,229.4	(116.6)	
(1,160.0)		(4) Less: Recoverable from Urban and Rural Development Initiatives	(889.8)	(1,100.0)	210.2	
	(b)	Neighbourhoods Programs				
285.0		(1) Salaries and Employee Benefits	321.7	297.5	24.2	
52.1		(2) Other Expenditures	39.7	45.1	(5.4)	

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS AND TRADE

EXPENDITURE SUMMARY

For the fiscal year ended March 31, 2005 with comparative figures for the previous fiscal year.

ESTIMATE 2004/05		APPROPRIATION	ACTUAL 2004/05	ACTUAL 2003/04	INCREASE (DECREASE)	EXPLANATION NUMBER
	(c)	Urban Community Economic Development				
260.1		(1) Salaries and Employee Benefits	252.7	205.1	47.6	
57.7		(2) Other Expenditures	38.7	55.4	(16.7)	
(265.7)		(3) Less: Recoverable from Urban Development Initiatives	(246.3)	(221.6)	(24.7)	
16,500.0	(d)	Urban Development Initiatives	16,484.0	19,015.9	(2,531.9)	6
19,402.5		TOTAL 13-6	19,350.1	21,783.5	(2,433.4)	
109,522.7		**TOTAL EXPENDITURES FOR INTERGOVERNMENTAL AFFAIRS**	**109,000.6**	**111,801.6**	**(2,801.0)**	

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS AND TRADE

EXPENDITURE SUMMARY

For the fiscal year ended March 31, 2005 with comparative figures for the previous fiscal year.

SECTION II – TRADE AND FEDERAL-PROVINCIAL AND INTERNATIONAL RELATIONS

ESTIMATE 2004/05		APPROPRIATION	ACTUAL 2004/05	ACTUAL 2003/04	INCREASE (DECREASE)	EXPLANATION NUMBER
	13-7	**TRADE AND FEDERAL-PROVINCIAL AND INTERNATIONAL RELATIONS**				
	(a)	Federal-Provincial and International Relations				
980.8		1 Salaries	1,075.5	748.7	326.8	
661.5		2 Other Expenditures	533.7	675.7	(142.0)	
	(b)	Manitoba Trade				
1,313.8		1 Salaries	1,264.9	1,411.8	(146.9)	
1,740.1		2 Other Expenditures	1,503.5	1,323.7	179.8	
170.0		3 Grants	129.2	120.4	8.8	
(1,000.0)		3 Less: Recoverable from Rural and Urban Development Initiatives	(1,000.0)	(1,000.0)	0.0	
	(c)	Manitoba Office in Ottawa				
127.6		1 Salaries	127.8	124.0	3.8	
69.7		2 Other Expenditures	51.7	69.8	(18.1)	
4,063.5		**TOTAL EXPENDITURES FOR TRADE AND FEDERAL-PROVINCIAL AND INTERNATIONAL RELATIONS**	**3,686.3**	**3,474.1**	**212.2**	

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS AND TRADE

EXPENDITURE SUMMARY

For the fiscal year ended March 31, 2005 with comparative figures for the previous fiscal year.

SECTION III – AMORTIZATION AND OTHER COSTS RELATED TO CAPITAL ASSETS

ESTIMATE 2004/05		APPROPRIATION	ACTUAL 2004/05	ACTUAL 2003/04	INCREASE (DECREASE)	EXPLANATION NUMBER
200.7	13-8	COSTS RELATED TO CAPITAL ASSETS	193.8	174.7	19.1	
113,786.9		TOTAL EXPENDITURES VOTED FOR INTERGOVERNMENTAL AFFAIRS AND TRADE	112,880.7	115,450.4	(2,569.7)	

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS AND TRADE

EXPENDITURE SUMMARY

For the fiscal year ended March 31, 2005 with comparative figures for the previous fiscal year.

SECTION IV – EMERGENCY MEASURES ORGANIZATION

ESTIMATE 2004/05	APPROPRIATION	ACTUAL 2004/05	ACTUAL 2003/04	INCREASE (DECREASE)	EXPLANATION NUMBER
	EMERGENCY MEASURES ORGANIZATION				
	Emergency Measures Organization				
1,126.7	1 Salaries	1,074.5	960.2	114.3	
558.0	2 Other Expenditures	567.8	601.2	(33.4)	
1,684.7	TOTAL	1,642.3	1,561.4	80.9	
115,471.6	**TOTAL EXPENDITURES FOR INTERGOVERNMENTAL AFFAIRS AND TRADE**	**114,523.0**	**117,011.8**	**(2,488.8)**	

EXPLANATION NOTES

1. *The variance is due to an increase in VLT revenues in the current year.*
2. *Actual recoveries increased due to there being a larger recovery for Unconditional Grant - Rural Community Development recovery in the current year.*
3. *The year over year variance reflects the variable fourth year project cash flow of a six-year agreement.*
4. *Actual expenditures are lower in the current year as the agreement concluded in 2003/04.*
5. *Actual expenditures are higher as this is the first year for these agreements.*
6. *The year over year variance relates to the cash flow requirements for the different projects being funded in each year.*

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS AND TRADE

REVENUE SUMMARY BY SOURCE

For the fiscal year ended March 31, 2005 with comparative figures for the previous fiscal year.

Actual 2003/04	Actual 2004/05	Increase (Decrease)	Source	Actual 2004/05	Estimate 2004/05	Variance	Expl. No.
			Current Operation Programs – Other Revenue				
496.9	547.6	50.7	(a) Fees	547.6	542.7	4.9	
6,905.2	7,498.7	593.5	(b) Municipalities Shared Cost Receipts	7,498.7	7,907.4	(408.7)	
106.1	77.3	(28.8)	(c) Sundry	77.3	76.8	0.5	
0.0	20.6	20.6	(d) Cost Recovery from New Brunswick	20.6	22.8	(2.2)	
			Government of Canada				
380.1	347.1	(33.0)	(a) Infrastructure Programs	347.1	392.1	(45.0)	
221.4	218.0	(3.4)	(b) Joint Emergency Planning Program	218.0	212.0	6.0	
8,109.7	8,709.3	599.6	TOTAL REVENUE	8,709.3	9,153.8	(444.5)	

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS AND TRADE

FIVE-YEAR EXPENDITURE AND STAFFING SUMMARY BY APPROPRIATION

For years ending March 31, 2001 – March 31, 2005

ACTUAL/ADJUSTED*EXPENDITURES ($000)

		2000/01		2001/02		2002/03		2003/04		2004/05	
		FTE	$	FTE	$	FTE	$	FTE	$	FTE	$
13-1	ADMINISTRATION AND FINANCE [1, 2]	33.60	2,177.9	32.60	2,190.5	33.60	2,298.8	34.60	2,290.6	33.10	2,350.0
13-2	COMMUNITY & LAND USE PLANNING SERVICES	56.00	3,664.0	56.00	3,744.6	56.00	3,634.3	56.00	4,006.3	55.00	3,755.6
13-3	PROVINCIAL-MUNICIPAL SUPPORT SERVICES [1]	162.60	9,111.0	162.60	8,804.3	162.60	8,606.7	162.60	9,039.3	159.10	9,341.3
13-4	FINANCIAL ASSISTANCE TO MUNICIPALITIES [3]	0.00	58,371.4	0.00	59,124.5	0.00	59,131.8	0.00	57,134.9	0.00	61,457.7
13-5	CANADA-MANITOBA AGREEMENTS	6.50	8,673.5	7.00	13,713.0	6.00	15,197.7	6.00	17,547.0	6.00	12,745.9
13-6	URBAN STRATEGIC INITIATIVES [1]	12.00	19,564.4	13.00	19,891.4	13.00	21,688.3	13.00	21,783.5	12.00	19,350.1
13-7	TRADE & FEDERAL-PROVINCIAL AND INTERNATIONAL RELATIONS [3]	29.00	2,753.9	34.00	3,314.3	33.00	3,306.9	36.00	3,474.1	33.00	3,686.3
13-8	EMERGENCY MEASURES ORGANIZATION [4]	19.00	1,324.2	19.00	1,346.9	19.00	1,476.2	19.00	1,561.4	19.00	1,642.3
13-9	AMORTIZATION AND OTHER COSTS RELATED TO CAPITAL ASSETS [3]	0.00	426.9	0.00	423.2	0.00	366.5	0.00	174.7	0.00	193.8
TOTAL	INTERGOVERNMENTAL AFFAIRS	318.70	106,067.2	324.20	112,552.7	323.20	115,707.2	327.20	117,011.8	317.20	114,523.0

EXPLANATION NOTES

1. *The 2000/01, 2001/02, and 2002/03 actuals have been adjusted to reflect Departmental reorganizations in 2002/03 and 2003/04.*

2. *In 2002/03, the Surface Rights Board was transferred to Industry, Trade and Mines. The 2000/01 and 2001/02 actuals have been adjusted to reflect the transfer.*

3. *As part of the reorganization that took place in 2003/04, the Trade and Federal-Provincial and International Relations division was created with transfers from Executive Council, Advanced Education and Training, Agriculture Food and Rural Development, Culture Heritage and Tourism and Industry, Economic Development and Mines. Rural and Northern Community Economic Development Services programming was transferred to the Department of Agriculture, Food and Rural Initiatives. The Manitoba Water Services Board was transferred to the Department of Water Stewardship.*

4. *In 2004/05, Manitoba Emergency Measures Organization was transferred from Industry, Economic Development and Mines. The 2000/01, 2001/02, 2002/03 and 2003/04 actuals have been adjusted to reflect this transfer.*

SECTION VI
OTHER APPROPRIATIONS

Emergency Expenditures (27.1)

To provide a funding source for unforeseen emergency expenditures related to natural disaster such as a forest fires, flooding and environmental emergencies.

Principal Activities in 2004/2005

- Provides for expenditures related to forest fires, flooding and other natural disasters, including response costs to forest fire and other emergency responses, disaster assistance, and other emergency related items. It also provides for partial reimbursement to government departments for property losses not covered by insurance.

- The annual estimate of expenditure is derived from historical averages. Actual expenditures vary from year to year depending on the weather and frequency of disasters.

27 Emergency Expenditures

Expenditures by Sub-appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over/(Under)	Expl. No.
Total Other Expenditures	30,044.1	0.00	25,000.0	5,044.1	
TOTAL	30,044.1	0.00	25,000.0	5,044.1	1

Explanation

1. ***The increase is primarily due to expenditures relating to the 2005 spring flood and forest fire suppression.***

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS AND TRADE

EXPENDITURE SUMMARY

For the fiscal year ended March 31, 2005 with comparative figures for the previous fiscal year.

EMERGENCY EXPENDITURES

Actual 2003/04	Actual 2004/05	Increase (Decrease)	Source	Actual 2004/05	Estimate 2004/05	Variance	Expl. No.
			27-1 EMERGENCY EXPENDITURES				
51,646.9	14,701.8	(36,945.1)	Forest Fire Suppression	14,701.8	10,000.0	4,701.8	1
45,923.6	15,342.3	(30,581.3)	Agriculture Related and Other Events	15,342.3	15,000.0	342.3	2
97,570.5	**30,044.1**	**(67,526.4)**	**TOTAL REVENUE**	**30,044.1**	**25,000.0**	**5,044.1**	

Explanation

1. ***Expenses were higher in the previous year I primarily due to the 2003/2004 fiscal year representing one of the worst years (recorded) for forest fires in Manitoba***
2. ***Expenditures were higher in the previous year due to drought and BSE.***

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS AND TRADE

REVENUE SUMMARY

For the fiscal year ended March 31, 2005 with comparative figures for the previous fiscal year.

EMERGENCY EXPENDITURES

Actual 2003/04	Actual 2004/05	Increase (Decrease)	Source	Actual 2004/05	Estimate 2004/05	Variance	Expl. No.
			OTHER REVENUE:				
120.1	(4.0)	(124.1)	Sundry	(4.0)	25.0	(29.0)	1
(761.7)	4,371.8	5,133.5	Government of Canada: Emergency Expenditures	4,371.8	0.0	4,371.8	2
(641.6)	4,367.8	5,009.4	TOTAL REVENUE	4,367.8	25.0	4,342.8	

Explanation

1. *There were no revenues in 2004/2005, however there was a reduction in accounts receivable related to the Michaud Fire.*
2. *The increase is due to receivables relating to the 2004 and 2005 spring floods.*

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS AND TRADE

FIVE-YEAR HISTORY
EMERGENCY EXPENDITURES 27-1
FIVE-YEAR EXPENDITURE SUMMARY BY PROGRAM

For Five Years Ended March 31, 2005

ACTUAL/ADJUSTED*EXPENDITURES ($000)

	2000/01		2001/02		2002/03		2003/04		2004/05	
	FTE	$	FTE	$	FTE	$	FTE	$	FTE	$
Disaster Assistance		4,367.9		16419.7		8,697.6		2,426.2		3,140.9
Forest Fires		18,530.7		19,847.2		24,632.8		51,646.9		14,701.8
Tree Conservation		1,173.8		1,112.6						
Environmental Response		310.0		502.3		299.0				
Agriculture								43,200.0		12,201.4
Miscellaneous		17.2		21.5		802.1		297.3		
TOTAL		24,399.6		37,903.3		34,431.5		97,570.4		30,044.1

Adjusted figures reflect historical data on a comparable basis in those appropriations affected by reorganizations during the five years.

SECTION VII
APPENDICES

Appendices

Appendix A - Market Value Assessment - Provincial Totals

At the end of the calendar year, the Assessment Branch delivers final assessment rolls to all municipalities excluding the City of Winnipeg. The market value of all assessment in Manitoba as shown on these rolls is aggregated in the table below.

Roll Type / Year	RURAL	VILLAGES	TOWNS	CITIES	L.G.D.S.	ABORIGINAL / NORTHERN AFFAIRS	TOTAL
Business							
2005	41,425,930	1,160,382	34,380,330	41,204,640	591,500	1,265,700	120,028,482
2004	41,109,310	1,144,182	35,064,770	40,127,940	591,500	1,320,200	119,357,902
Change	316,620	16,200	(684,440)	1,076,700	0	(54,500)	670,580
Personal							
2005	136,214,500	2,556,800	26,284,600	31,801,800	0	150,700	197,008,400
2004	133,179,300	2,556,800	26,234,300	31,117,400	0	150,700	193,238,500
Change	3,035,200	0	50,300	684,400	0	0	3,769,900
Real (T)							
2005	17,581,930,524	292,944,200	2,838,418,100	3,625,046,350	53,186,300	84,677,100	24,476,202,574
2004	17,274,369,124	288,826,900	2,780,199,600	3,549,713,250	52,319,800	84,464,000	24,029,892,674
Change	307,561,400	4,117,300	58,218,500	75,333,100	866,500	213,100	446,309,900
Real (G)							
2005	598,660,900	13,792,800	158,208,700	259,663,400	3,766,700	51,458,600	1,085,551,100
2004	610,269,300	13,628,200	158,635,400	269,003,800	3,767,100	51,632,000	1,106,935,800
Change	(11,608,400)	164,600	(426,700)	(9,340,400)	(400)	(173,400)	(21,384,700)
Real (N)							
2005	0	0	0	0	0	0	0
2004	0	0	0	0	0	0	0
Change	0	0	0	0	0	0	0
Real (S)							
2005	82,367,800	17,276,100	175,109,500	138,000,000	352,200	458,600	413,564,200
2004	81,702,600	17,189,000	174,751,100	134,701,500	352,100	458,600	409,154,900
Change	665,200	87,100	358,400	3,298,500	100	0	4,409,300
Real (E)							
2005	957,972,000	81,721,100	993,605,900	499,113,800	16,875,400	42,812,100	2,592,100,300
2004	938,522,000	81,464,900	977,503,100	499,804,600	16,877,100	42,902,500	2,557,074,200
Change	19,450,000	256,200	16,102,800	(690,800)	(1,700)	(90,400)	35,026,100
TOTAL							
2005	19,398,571,654	409,451,382	4,226,007,130	4,594,829,990	74,772,100	180,822,800	28,884,455,056
2004	19,079,151,634	404,809,982	4,152,388,270	4,524,468,490	73,907,600	180,928,000	28,415,653,976
Change	319,420,020	4,641,400	73,618,860	70,361,500	864,500	(105,200)	468,801,080

T - Taxable
G - Exempt: Subject to grant in lieu of taxes
N - Exempt: Subject to grant, exempted from school levies
S - Taxable: Exempt from school levies
E – Exempt

Appendix B – Total School Assessment (Portioned Values)

In accordance with provisions of *The Municipal Assessment Act*, the 2005 Total School Assessment was provided to the Department of Education and Youth by December 1, 2004 and formed the basis for the calculation of school levies. The Total School Assessment (TSA) is the TMA plus portioned values of personal property less the value of real property, which is exempt from school taxes. The TSA is the tax base used by the Province to raise revenue to support the education program across Manitoba and is a determining factor in the distribution of funding to school divisions.

School Division	School Assessment
Beautiful Plains	248,551,080
Borderland	318,021,300
Brandon	1,070,831,720
Evergreen	351,356,620
Flin Flon	77,279,610
Fort la Bosse	261,275,010
Frontier	1,838,153,020
Garden Valley	337,212,260
Hanover	616,001,240
Interlake	437,689,580
Kelsey	141,872,230
Lakeshore	131,958,090
Lord Selkirk	682,324,960
Louis Riel	2,174,072,600
Mountain View	391,019,440
Mystery Lake	187,322,420
Outside division boundaries *	61,054,570
Park West	323,198,550
Pembina Trails	2,262,972,810
Pine Creek	167,558,810
Portage la Prairie	494,447,920
Prairie Rose	412,374,220
Prairie Spirit	384,611,280
Red River Valley	407,881,410
River East Transcona	328,479,610
Rolling River	303,933,670
Seine River	484,232,450
Seven Oaks	932,371,710
Southwest Horizon	322,595,910
St. James Assiniboia	1,562,590,540
Sunrise	752,856,010
Swan Valley	205,942,550
Turtle Mountain	182,614,490
Turtle River	91,530,850
Western	176,755,340
Winnipeg	3,920,067,910
GRAND TOTAL	**23,043,011,790**

* Subject to Education Support Levy and not Special Levy

Appendix C – Committees and Crown Corporations

Leaf Rapids Town Properties Ltd.

Leaf Rapids Town Properties Ltd. (formerly Leaf Rapids Corporation) was formed in 1971 by a precedent-setting agreement between the Province and Sherrit-Gordon Mines. Under the agreement, all assessable surface property of the mining company was put on the tax roll for taxation purposes, making Sherrit-Gordon a corporate citizen of the Town. The Province, through Leaf Rapids Town Properties Ltd., developed the townsite property and is recovering costs through land sales and property rentals.

The Corporation has a five-person Board of Directors comprised of senior civil servants, with Marie Elliott, Deputy Minister of Intergovernmental Affairs and Trade as Chairperson. Current Directors as at March 31, 2005 are Christine Kaszycki (Industry, Economic Development and Mines), Don Delisle (Finance), Geoff Bawden (Transportation and Government Services), Christine Burton (Agriculture, Food and Rural Initiatives) and an ex-officio representative of the Town of Leaf Rapids. Day to day management of the Town Centre, industrial park, mobile home park, and other properties is carried out by a staff of three under the direction of the General Manager, Christine Burton and the Property Manager, John Kokorsch.

Appendix D - Sustainable Development Activities and Accomplishments

The following is a summary of progress made towards integrating the principles and guidelines of sustainable development into the programs and activities of the Department of Intergovernmental Affairs and Trade. The summary is organized on the basis of the Principles and Guidelines of Sustainable Development as outlined in Schedules A and B of *The Sustainable Development Act*.

Integration of Environmental and Economic Decisions

- The Administrative Services Branch staff facilitated government-wide implementation of sustainable development principles and policies through participation on several government-wide sustainable development related committees, as well as co-ordinating the Sustainable Development Planning and Implementation Team for the Department.

- A significant focus of the Canada-Manitoba Infrastructure Programs (CMIPs) -- specifically the ***Canada-Manitoba Infrastructure Program (CMIP)***, the ***Municipal Rural Infrastructure Fund (MRIF),*** and the ***Canada Strategic Infrastructure Fund (CSIF)*** -- is green municipal infrastructure including projects that protect and/or enhance the quality of our environment, such as water and waste water systems, water management, solid waste management, recycling, and improve energy efficiency.

  - ***CMIP, 2000-2006*** – As of March 31, 2005, $67.7 million (consisting of matching federal, provincial and local 1/3 contributions) CMIP funding supported 132 rural and northern first priority green projects, including $15.9 million for five Boil Water Order projects to remedy urgent environmental issues; $45.1 million to 118 rural and northern sewer and water projects; $3.9 million for nine waste disposal and recycling projects; and $1.7 million for Red River flood protection.

  - ***MRIF, 2004-2013*** – With the launching of the new MRIF in December, 2004, ongoing and predictable federal and provincial funding will support further enhancements to green municipal infrastructure.

  - ***CSIF*** – As of March 31, 2005, CSIF has supported $89 million towards strategic improvements to the City of Winnipeg's wastewater treatment system (consisting of federal, provincial and city contributions). This project will reduce nutrients in Winnipeg's wastewater effluent, improving the long term health and quality of Manitoba's rivers and lakes.

- The $50 million Canada-Manitoba Economic Partnership Agreement (EPA), announced on December 1, 2003, builds on a successful history of federal-provincial economic development agreements and contributes to strengthening and expanding the economy. The EPA is intended to further strengthen and diversify Manitoba's economy, build on existing economic strengths, enhance the skills of Manitoba's workforce and promote regional development in accordance with two strategic priorities: Building our Economy and Sustainable Communities. As of March 31, 2005, EPA has provided federal/provincial funding support of $11.6 million towards the program's two strategic priorities. The term of the agreement is December 2003 to March 2008.

- The Community and Land Use Planning Services Division worked in partnership with local planning authorities, other government departments, the private sector and stakeholders to ensure that Manitobans live in well-planned, environmentally sound and economically sustainable communities and regions. The Community and Land Use Planning Services Division is responsible for developing and administering integrated provincial land use planning policies, legislation and regulations, and providing regionally based professional planning services to local governments, planning districts, northern communities and the public, consistent with provincial land use interests.

Stewardship

- Municipal Finance and Advisory Services delivers funding support to all municipalities to enhance the sustainability of communities, to assist in the provision of quality, affordable municipal services and to assist in the management of community resources and the environment, including: support for "green" services and infrastructure in the City of Winnipeg such as public transit and transit bus replacement, wastewater treatment facilities and Dutch Elm disease control; and Province-wide operating and capital support for public transit services, including transit for the mobility disadvantaged.

- The Community and Land Use Planning Services provided grants to municipalities and planning districts to initiate their first community land use planning program or to review and update their development plan and zoning by-law.

- The Canada-Manitoba Infrastructure Programs require proponents to provide baseline and target quantitative benefits applicable to their project. At the completion of the project the actual measurement is reported. Any variances from the target benefit must be explained.

- The Canada-Manitoba Economic Partnership Agreement requires proponents to provide baseline and target quantitative performance indicators to their project on a regular basis. Any variances from the target benefit must be explained.

- Urban Green Team helped create opportunities for young Manitobans to pursue job and career-related opportunities in their home communities while helping communities maintain and enhance their local environment.

Shared Responsibility & Understanding

- Human Resources Services, through implementation of the Department's Employment Equity Plan, ensured that policies considered and reflected the needs and views of the various ethnic groups in Manitoba.

- The Canada-Manitoba Infrastructure Programs encourages regional approaches and promotes partnerships amongst municipalities, on-and-off-reserve communities, and with non-profit and private sector organizations. For example, the CMIP partnered with the communities of Aghaming, Bissett, Manigotogan and Seymourville and the Hollow Water First Nation to construct a $652,600 regional waste disposal site. Another example of the CMIP agreement encouraging partnering is the $400,000 regional waste disposal site project that involves the communities of Dauphin River, Homebrook and the Rural Municipality of Grahamdale.

- A local consultative committee consisting of representatives from the Association of Manitoba Municipalities and Northern Association of Community Councils reviews and recommends rural and northern CMIP and MRIF project funding.

- Under the Canada-Manitoba Economic Partnership Agreement, the governments of Canada and Manitoba focus co-operative efforts in partnership with community stakeholders on two strategic priorities -- Building our Economy and Sustainable Communities -- to enhance the skills of the Manitoba workforce and promote economic growth and diversification in Manitoba.

- Partnership initiatives under each priority area under the Canada-Manitoba Economic Partnership Agreement may take the form of capital projects, pilot projects, start-up support leading to self-sustainability, studies including feasibility, business plans, market-related research, innovative research, and so on. For example, the EPA program has partnered with Forintek Canada Corporation to establish the Manitoba-Forintek Program which will assist wood product manufacturers to overcome technical obstacles and take advantage of market opportunities in the wood products sector.

- The Canada-Manitoba Economic Partnership Agreement assists in the development of northern Manitoba's human and natural resources to ensure northern Manitobans can take full advantage of the opportunities in the region (ie: eco-tourism, mining, forestry, and fishing). For example the Northern Forest Diversification Centre (NFDC) works to link the growing demand for non-timber forest products with the need to create sustainable economic development opportunities for residents of remote communities. Non-timber forest products are wild, natural, organic products derived from the forest other than timber and firewood.

- The Urban Strategic Initiatives Division worked in partnership with five Neighbourhood Renewal Corporations (NRCs) in the targeted Neighbourhoods Alive! neighbourhoods. The NRCs focus on the issues identified by their communities and bring forward proposals that best meet the needs of the community. USI staff worked to support the capacity of the NRCs and projects being undertaken in the NA! neighbourhoods. Both parties shared responsibility for a community-driven process of urban revitalization.

- Community and Land Use Planning Services co-ordinates interdepartmental review of all local planning related proposals including development plans, zoning by-laws and subdivision applications.

- The Community and Land Use Services Division provided planning services to other provincial departments as well as other divisions within the Department. It also consulted and worked with local government associations, the public, industry and other provincial and federal departments as an integral and on-going part of its activities.

- The Community and Land Use Planning Services Division is undertaking an intergovernmental and public review of the Provincial Land Use Policies Regulation under *The Planning Act* to enhance the Provincial Land Use Policies.

Prevention

- All Canada-Manitoba Infrastructure Programs (CMIPs) approved projects are subject to review under the *Canadian Environmental Assessment Act* (CEAA) and the *Manitoba Environment Act*. In Manitoba, federal and provincial legislation is harmonized, providing for federal and provincial collaboration in the environmental assessment process. In some cases, municipal projects funded under CMIP require an environmental assessment and licensing. Therefore, a joint federal-provincial assessment is undertaken in accordance with the Canada-Manitoba Agreement for Environmental Assessment Co-operation. This process includes *Canada Environmental Assessment Act*, *Environment Act* and *Public Health Act*, screenings. Proponents must adhere to mitigation measures as outlined in the Contribution Agreement.

- Similarly, all Canada-Manitoba Economic Partnership Agreement (EPA) approved projects are subject to review under the *Canadian Environmental Assessment Act* (CEAA) and the *Manitoba Environment Act*.

- After significant consultation with the public and stakeholders, Intergovernmental Affairs and Trade introduced Bill 40 to the Manitoba Legislature, a proposed amendment to the *Planning Act*, intended to assist in better managing the sustainable development of the livestock industry.

- Manitoba has been working with the Governments of Canada, Ontario and Quebec, the Great Lakes Commission, Governors, Senators and other interested parties in the United States and Canada to promote the referral of North Dakota's state-sponsored Devils Lake outlet to the International Joint Commission. North Dakota has been constructing an outlet project at Devils Lake that will divert water from Devils Lake into the Sheyenne River, which will flow into the Red River and then Canada. The state-sponsored project has raised serious concerns about the environmental impacts of the outlet on Manitoba's waters with respect to water quality and the transfer of harmful biota, and about the precedent that could be set should one jurisdiction ignore the provisions of the Boundary Waters Treaty of 1909. This treaty exists to protect the United States and Canada's shared water resources and the International Joint Commission, the dispute resolution body under the Treaty, is in place to resolve concerns about

cross-border waters. Manitoba continues to advocate for a solution that does not threaten the Boundary Waters Treaty and is consistent with the spirit of the International Joint Commission.

Conservation & Enhancement

- The Canada-Manitoba Infrastructure Program provided $1.7 million towards the Red River Floodway inlet improvement project. The project consists of the removal of two sections of the east embankment of the Red River Floodway south of Winnipeg between St. Mary's Road bridge crossing and the western edge of Grande Point, thereby increasing the floodway's capability of handling a large flood in the future and helping to reduce standing floodwater upstream of the floodway (south of Winnipeg).

- CSIF has supported $89 million towards strategic improvements to the City of Winnipeg's wastewater treatment system (consisting of federal, provincial and city contributions). This project will reduce nutrients in Winnipeg's wastewater effluent which will help to achieve the objectives of the Lake Winnipeg Action Plan.

Rehabilitation & Reclamation

- The Urban Strategic Initiatives Division supported neighbourhood enhancement and greening projects through the NA! initiative. NA! funded projects, such as the Cliff Park project in Thompson and the Spirit Park project in Winnipeg, help support community efforts to rehabilitate derelict urban sites and provide green space for community recreation and social interaction.

- The Canada-Manitoba Infrastructure Program provided $15.9 million for five Boil Water Order projects to remedy urgent environmental issues.

- Under the Sustainable Communities strategic priority, the Canada-Manitoba Economic Partnership Agreement assists the revitalization of urban communities by supporting community economic development initiatives that contribute to downtown and inner city renewal, build community capacity, enhance knowledge and skills, and foster sustainable economic development.

- The Urban Strategic Initiatives Division, together with the City of Winnipeg, supported community-identified projects through the Building Communities initiative including the creation of new community green spaces and recreational venues.

Public Participation

- The federal-provincial environmental process required for all CMIP approvals provides for public participation as appropriate.

- The Municipal Rural Infrastructure Fund is an application-based program available to local governments, as well as non-profit and private sector organizations.

- All municipal infrastructure approved projects under the Canada-Manitoba Infrastructure Programs require supporting municipal resolutions.

- The various planning decision-making processes under *The Planning Act* and *The City of Winnipeg Charter* require public notification and hearings.

- Objectives of the proposed *Municipal Councils and School Boards Elections Act* are to increase the accessibility of the local election process and enhance voter participation. The new Act is proposed to be in effective for the October 2006 general local election. The process to review proposals for change and develop new legislation included consultation with the public and stakeholders.

- Municipal Finance and Advisory Services supported the merger of the Village of Powerview with the company-owned Townsite of Pine Falls, which brought elected municipal government to residents of the last company-owned town in Manitoba. The Branch provided advisory to the Village and Pine Falls throughout the merger discussions and process, to ensure smooth transition to the new municipal structure.

- The Urban Strategic Initiatives Division's Building Communities Program is a cost-shared, urban renewal initiative with the City of Winnipeg. Community consultation and participation are fundamental elements of the initiative. In each neighbourhood, an advisory committee, comprised of local residents and key stakeholders, is involved in the identification of capital priorities and the development of a strategic plan for addressing them.

Access To Information

- The Canada-Manitoba Infrastructure Programs provide access to information through a number of avenues, including a web site, a 1-800 number, an Information/Help Officer, project approvals news releases, and an annual progress report. The web site provides information on program guidelines, approved projects, intake deadlines, and links to the national Infrastructure Canada website. The site also includes downloadable applications, as well as a web-based, on-line application system.

- The Canada-Manitoba Economic Development Partnership Program provides information through similar means.

- By administering *The Freedom of Information and Personal Privacy Act* on behalf of the Department, the Administrative Services Branch facilitated the opportunity for equal and timely access to departmental information by all Manitobans.

- Public access to assessment information was substantially improved through the provision of a web site that enabled internet users to search for the assessment of specific properties. Users may now obtain this information from their homes or offices rather than by visiting a municipal or Assessment Branch office. The site also answers frequently asked questions about assessments. The market value assessment system, combined with easier access to information, will assist the public in understanding the value of property and thereby support sustainable development decision making.

- The *"2003 Statistical Information for Municipalities"* is an annual publication that presents relevant and useful statistical highlights and information necessary for municipal officials and others to understand and analyze the financial position of all Manitoba municipalities. The publication provides a resource for municipalities to examine the efficiency and effectiveness of the services they deliver.

- The Community and Land Use Planning Services Division maintains a Capital Region web site to provide improved public access to research and information.

- The Municipal Board maintains a web site to provide awareness of the assessment appeal process and to provide advice to applicants on how to prepare and present their appeal before the Board.

Integrated Decision-Making & Planning

- The CMIPs provide for Federal-Provincial Management Committees to establish administrative guidelines for the application, review, assessment, approval, and implementation of projects and ensure that appropriate program reporting and evaluation processes are in place. The activities of the Management Committees are supported through the joint Canada-Manitoba Infrastructure Secretariat established to minimize overlap and duplication in federal-provincial program delivery and to contribute to improved federal-provincial co-operation. The Secretariat is staffed with both federal and provincial officials.

- The CMIPs provide for the establishment of one or more local consultative committees to review and recommend on project funding and implementation. A local consultative process was established for projects in rural and northern Manitoba and a separate consultative process for projects within Winnipeg. In Manitoba, the Infrastructure Program is characterized by good, co-operative federal-provincial relations at both the elected and officials level, as well as a positive consultative process in project selection with local governments through Winnipeg City Council, the Association of Manitoba Municipalities (AMM), and the Northern Association of Community Councils (NACC).

- The Canada-Manitoba Economic Partnership Agreement (EPA) provides for a Federal-Provincial Management Committee to establish program strategic priorities, establish administrative guidelines for the application, review, assessment, approval, and implementation of projects and ensure that appropriate program reporting and evaluation processes are in place.

- The Community Planning Assistance Program provided financial incentives and technical advice to municipalities to join together in a planning district and jointly develop land use planning by-laws.

- The Urban Strategic Initiatives Division has taken the lead role on behalf of the provincial government in the negotiation and implementation of a new tripartite Winnipeg Partnership Agreement (WPA) for Winnipeg. The WPA Memorandum of Understanding (MOU), signed in early 2003, was developed through a collaborative tri-government process with the objective of developing a tripartite agreement that will provide a mechanism for co-ordinated, integrated decision-making and planning for urban development in Winnipeg.

- The Urban Strategic Initiatives Division, through the NA! Working Group, consulted with colleagues in other departments on initiatives and proposals that may have impacts on more than one department. A Steering Committee of five Ministers makes decisions on all projects and provides overall direction for NA! and its component programs.

- The Urban Strategic Initiatives Division's Building Community Initiative has a joint, Manitoba-Winnipeg decision-making and implementation mechanism at both the working and the elected officials' levels that supports an integrated, collaborative approach.

Waste Minimization & Substitution

- Through participation on the government-wide Procurement Council, the Administrative Services Branch helped to formulate sustainable procurement practices for government-wide implementation, and has also co-ordinated the implementation of these practices in Intergovernmental Affairs and Trade.

- The primary focus of the CMIPs is green municipal infrastructure, which includes solid waste management and recycling. As of March 31, 2005 nine solid waste disposal and recycling projects have received support totaling $3.9 million under the Canada-Manitoba Infrastructure Program.

- The Canada-Manitoba Economic Partnership Agreement provides support for emerging economic clusters, such as environmental industries including alternative energy developments.

- All branches and field offices increased the use of electronic options such as email to distribute program and promotional materials in order to reduce the use of paper.

Research & Innovation

- Municipal Finance and Advisory Services, in partnership with the Association of Manitoba Municipalities (AMM), continues to support municipally-driven restructuring initiatives in rural Manitoba. The Branch is currently working with the AMM to enhance the 2002 Tools for Change program, to ensure the information provided to municipalities is relevant and to determine what new information may be useful. As part of the Tools for Change initiative, the Branch assisted the AMM to develop its Municipal Innovations Award, presented for the first time at the 2005 Municipal Officials Seminar.

- Flexible and enabling legislative authority, including the ability to develop innovative including tax increment financing programs to support of community priorities and neighbourhood revitalization, has been provided to all municipalities. Manitoba provided authority to implement tax increment financing to all municipalities in 2004/05, expanding on powers provided to the City of Winnipeg in 2003.

- The Canada-Manitoba Economic Partnership Agreement supports projects that encourage innovative research and development, including technology commercialization and product development; develop key sites of research-led development that generate related spin-off benefits for local companies; and build knowledge-based industries through strategies that retain and attract highly qualified researchers and scientists to Manitoba. For example, EPA is supporting the Composite Innovation Centre's research and development in composite technology, facilitating new product development and help close the gap between research and commercialization of this technology.

- The Urban Strategic Initiatives Division has the lead role on behalf of the provincial government in the negotiation and implementation of a new tripartite Winnipeg Partnership Agreement (WPA) for Winnipeg. The WPA Memorandum of Understanding, signed in January of 2003, identified that technology and innovation will be a focus of the tripartite agreement.

Pollution Prevention and Human Health

- All branches and field offices continued to recycle solid waste and scrap paper, a total of 9,780 lbs., which includes aluminum cans, paper and cardboard and is expanding to batteries and Styrofoam, as well.

- The government discontinued the use of virgin paper and increased the purchase of recycled paper. As a result the government used 100% recycled paper, up from 99.99% recycled paper in 2003/2004.

- The Winnipeg office of the Community and Land Use Planning Services Division undertake two-sided printing, in addition to two-sided copying, of documents. The objective is to reduce the amount of paper purchases. Instructions on how to two-side print have been distributed to the regional offices as well.

- The MRIF and CSIF programs specifically target the reduced production of greenhouse gases and airborne pollutants, as well as the use of innovative and sustainable technologies and practices to minimize greenhouse gas emissions.

Reduction of Fossil Fuel Emissions

- All departments have been encouraged to use ethanol gasoline (E10) when operating government vehicles. As leases expire, vehicles are being replaced with E85 vehicles (currently there are three E85 vehicles of 66 vehicles). Evaluations are undertaken regularly to ensure the use of lower consumption vehicles.

- Alternative forms of transportation have been encouraged and bicycle racks have been installed at buildings where the staff has requested it.

Community Economic Development

- The strategic priority Sustainable Communities under the Canada-Manitoba Economic Partnership Agreement supports leaders in Manitoba's urban areas, rural areas, and the north to identify and take advantage of local opportunities ultimately fostering sustainable economic development.

- The MRIF and CSIF programs both include objectives that support increased economic activity including tourism.

Emergency Measures Organization

Security and stability are important factors in building the confidence needed for sustainable development. A commitment to emergency preparedness not only builds the resilience of communities and their ability to withstand disasters, but also reduces losses and speeds recovery when disasters occur.

A large component of Manitoba EMO's activity involves building emergency preparedness capacity at the municipal level, which has the primary responsibility for the management of emergencies and disasters. This includes offering technical assistance in preparing emergency plans that meet the requirements of *The Emergency Measures Act*, and providing training emergency management training to municipalities at no cost.

The provincial government has made investments in emergency management that provide technical and specialized resources to assist municipalities in cases that might exceed their capabilities. The significant resources in this regard are a valuable component of the province's public safety capacity; these investments protect Manitobans from catastrophic social and economic losses, which have direct implications to the sustainability of communities.

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An English version of this Annual Report can be found on the internet at
www.gov.mb.ca/ia